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Fourth annual progress report on the strategic heritage plan of the United Nations Office at Geneva

Report of the Secretary-General*

Summary

The present progress report on the strategic heritage plan of the United Nations Office at Geneva is submitted pursuant to section X of General Assembly resolution 70/248 A, in which the Assembly approved the overall scope, schedule and estimated cost of the project, and section XVIII of resolution 71/272 A. It covers the period from 1 September 2016 to 31 August 2017 and provides an update on the activities undertaken since the third annual progress report of the Secretary-General (A/71/403 and Corr.1). It contains the further information requested by the General Assembly in its resolutions 70/248 A and 71/272 A and provides updated information on flexible workplace strategies, cost estimates and alternative funding mechanisms, including the utilization of future rental income and progress on the valorization of United Nations-owned land.

The strategic heritage plan project continues to proceed in accordance with the approved maximum overall cost of CHF 836.5 million, within the approved total duration of nine years (2014-2023) and the approved scope and quality targets described in the previous annual progress reports of the Secretary-General.

The General Assembly is requested to take note of the present report and the progress made since the issuance of the third annual progress report of the Secretary-General; decide on the scheme and currency of appropriation and assessment to be used for the project; take note of the decision of the Secretary-General to proceed fully with "smart working" in the new building H; request the Secretary-General to report on the result of the feasibility study and design work for the implementation of smart working in the historic buildings of the Palais des Nations, including a funding proposal, in the next progress report at the latest; approve the establishment of one additional staff position for the project; authorize charging the cost of the valorization consultancy services for 2018 to the project, within the overall maximum cost approved for the project; approve the establishment of a multi-year

* The submission date of the report takes into account the need to reflect the latest implementation status of the project.

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special account for the project; authorize the strategic heritage plan to access the working capital fund, if appropriate, depending on the scheme of appropriation and assessment decided upon by the Assembly; and authorize the use of current and future rental income at the United Nations Office at Geneva to offset the Member State appropriation related to the repayments of the loan.

I. Introduction

1. The present progress report on the strategic heritage plan of the United Nations Office at Geneva is submitted pursuant to section V of General Assembly resolution 68/247 A, section III of Assembly resolution 69/262 A, section X of Assembly resolution 70/248 A and section XVIII of Assembly resolution 71/272.

2. The present report summarizes the planning and construction-related actions accomplished from 1 September 2016 to 31 August 2017.

II. Update on project governance

A. Advisory Board

3. Pursuant to section XVIII, paragraphs 6 and 7, of resolution 71/272 A, the Advisory Board held three meetings during the reporting period: in September 2016, March 2017 and June 2017. Key issues considered by the Advisory Board included change management, flexible workplace strategies, refining the renovation works implementation strategy and valorization.

B. Steering Committee

4. The Steering Committee held four meetings during the reporting period, in February, March, July and August 2017. The Committee has continued to stress the need for close project scope management and control. Key issues taken up by the Steering Committee included guidance on information and communications technology strategy and coordination thereof with Headquarters, change management, flexible workplace strategies, refining the renovation works implementation strategy and valorization activities.

C. Project assurance

1. Risk management

5. Following a recommendation from the Board of Auditors and in line with paragraph 8 of the report of the Advisory Committee on Administrative and Budgetary Questions (A/71/622), in order to ensure that the project governance mechanisms are effective in monitoring the project's progress in reaching its key milestones within the approved time and budget and that the independent project assurance function continues to identify new risks as they emerge, together with plans for mitigating such risks, risk management services are currently under revision to fully distinguish between two separate functions, namely, independent risk management reviews and integrated risk management services.

(a) Independent risk management reviews

6. Pursuant to section X, paragraph 11, of resolution 70/248 A, independent risk management reviews of the project are provided by a specialist consultancy firm, to ensure that the project risks are recognized, understood and managed and mitigated effectively. The independent risk management consultant reports quarterly to the project owner and simultaneously to the Office of Central Support Services at Headquarters, independently of the Project Team. Further information on the progress and status of the risks can be found in section J, paragraphs 50 to 54 below.

(b) Integrated risk management services

7. The specialist consultancy firm has also deployed integrated risk management specialists, who are co-located with the strategic heritage plan project management team. These specialists maintain the detailed programme level risk register for the strategic heritage plan, hold quantitative and qualitative risk identification, assessment and mitigation workshops with project stakeholders on a regular basis and provide direct advice and guidance to the project team. The latest information on the risk analysis is contained in section IV. C below (see paras. 81-84).

2. Board of Auditors

8. Since the previous reporting period, the Board of Auditors has conducted two further audit visits to Geneva and conducted audit evaluations of the project. The first, a familiarization visit, was held in November 2016. This was followed by a management audit, which was conducted during February 2017. The recommendations resulting from this audit are included in the report of the Board of Auditors on the strategic heritage plan (see A/72/5 (Vol. I)). All observations and recommendations made by the Board of Auditors to date and the status of implementation are summarized in annex II of the present report. The full audit by the specialist external audit team commenced on 18 September 2017 and is scheduled to be carried out until 20 October 2017.

D. Management of the strategic heritage plan

9. The Board of Auditors, in its report (A/72/5 (Vol. I), para. 378), recommended that the Administration adjust the governance structure to preclude any risk of conflicts of interest. In particular, the role of the Director of Administration as senior user must be segregated from the duties of project executive and from the duties of the strategic heritage plan project director. The governance structure for the project has been updated to reflect the fact that the role of project executive is being undertaken by the Director of Administration, under the direction of the project owner, and the role of senior user is being undertaken jointly by the Director of Conference Management and the Chief of Central Support Services of the United Nations Office of Geneva.

10. In keeping with a lesson learned from other ongoing capital projects undertaken by the Organization, in particular, the capital master plan in New York, and as a result of a clearer understanding of the requirements of the project following the first major procurement exercise, it is necessary to augment the team of operational experts with an additional post of Senior Procurement Officer (P-5) based in the Office of Central Support Services at Headquarters. It is essential that adequate resources be in place to ensure both that the numerous procurement actions required are carried out in strict accordance with United Nations procurement policies and within the established timelines and that the necessary coordination takes place with Headquarters. The post will supplement and assist the existing strategic heritage plan procurement team in order to reduce risk to the construction schedule, during this critical year of planning and tender action for the renovation phase of the project. Key activities will include, in addition, coordination with the Office of Legal Affairs and the Insurance and Disbursement Service of the Office of Programme Planning, Budget and Accounts on legal and insurance risk matters, respectively. The related additional financial resources implications of this temporary additional post can be met within the maximum overall cost approved for the project.

11. In line with section XVIII, paragraph 29, of General Assembly resolution 71/272 A, the Secretary-General has ensured that resource requirements at each stage of the project continue to be based on a thorough review of actual and up-to-date needs on the ground and are adjusted as appropriate.

III. Progress

A. Status of activities

12. The General Assembly, in section XVIII of its resolution 71/272 A, reaffirmed the project scope, schedule and estimated cost of the strategic heritage plan in the maximum amount of CHF 836.5 million for the period 2014-2023.

13. During the reporting period, significant progress was made towards achieving key project milestones for planning, design, procurement and construction activities, including:

(a) Commencement of construction works in April 2017 through an early works package for the new permanent building H;

(b) Conclusion of the procurement process for the new building H and the contract award for the construction contract on 4 September 2017, within the budget allowance;

(c) Issuance of contracts for the further detailed design work for the renovation phase; the completion of the technical design/tender documentation for the phase 1 renovation design of the existing buildings A and B1 and the detailed design for the phase 2 renovation of the remaining Palais buildings;

(d) Completion of the occupancy studies related to the implementation of flexible workplace strategies, or the Geneva-specific "smart working" initiative;

(e) Further development within the renovation design of measures to eliminate physical, communications and technical barriers to persons with disabilities;

(f) Further refinement of the schedule of work and contracting strategy, which have been updated as more technical and detailed design information has become available.

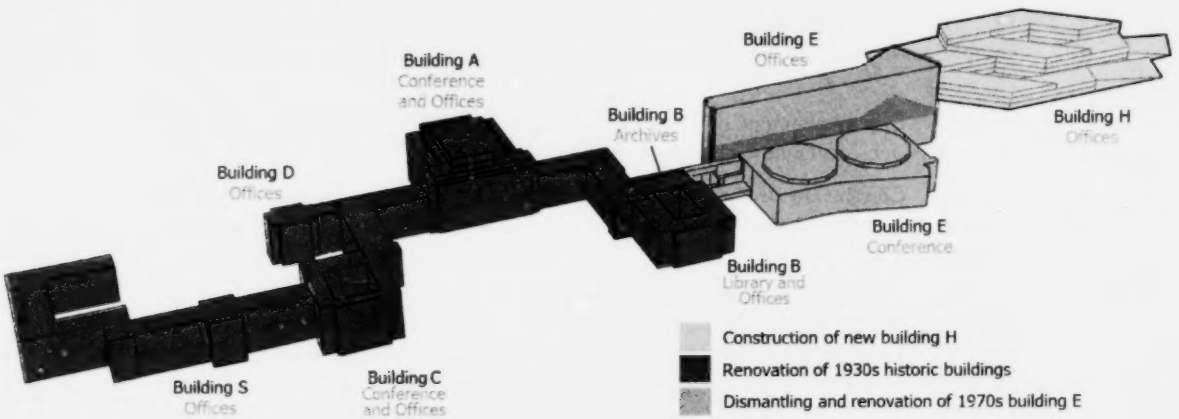
14. The project continues to move forward in line with the overall schedule, with some programme slippage as a result of longer-than-planned completion of the contracting processes, successfully mitigated through proactive management and risk mitigation action.

15. Phase 1, technical design, and phase 2, detailed design, for the renovation works have been largely completed. The projected cost estimates have been updated accordingly, with changes tracked on a monthly basis, and the cost plan fully updated and value engineered at key deliverable milestones. The project risks continue to be extensively reviewed and analysed, and appropriate mitigation strategies developed and implemented in line with section XVII, paragraph 15, of General Assembly resolution 71/272 A. Adjustments in the allocation of the contingency provisions continues to be based upon the identification of risks associated with the relevant phases of the project.

B. Design progression

16. The technical and tender documentation for design phase 1 (new permanent building H), are now complete and the remainder of design phase 1 (building A conference rooms and B1 library archives technical design and tender documentation), are in the final stages of completion. In parallel, following refinement of the design services for the renovation works, the detailed design of the remaining existing Palais buildings, B, C, D and S, as indicated in figure 1, is also in progress.

Figure 1
Schematic overview of the Palais des Nations building complex and the new building



17. Upon completion of the above design stages, it is intended to continue with design phase 2, technical design and tender documentation for the remaining office parts of buildings A and B, together with the C, D and S buildings, to complete a full construction renovation tender package for the historic Palais buildings. It is expected that this tender will be launched during 2018. This will then be followed separately by the 1970s building E renovation, which will be launched as a separate construction tender in 2019/20.

C. Flexible workplace strategies and space efficiency

18. The original objective of the strategic heritage plan in terms of space efficiency includes a 25 per cent increase in occupancy, increasing the number of staff accommodated within the Palais des Nations, from 2,800 to 3,500. The project also provides for much-needed additional conferencing space capacity and flexibility with the creation of four new additional rooms, comprising a dedicated press briefing room and three multipurpose conference rooms, bringing the total number of conference rooms to 42.

19. As requested by the General Assembly in section X, paragraph 15, of resolution 70/248 A, and subsequently reinforced in section XVIII, paragraph 11, of resolution 71/272 A, a study was commissioned in 2016 on the utilization of the existing space within the Palais. While the in-house expertise of the flexible working team at headquarters was consulted in the development of this initiative, it was necessary to task a specialist consultant team with the specialist tasks to ensure that the project timescale was maintained.

20. The study, which was prepared in consultations with staff representatives, gathered data through multiple channels, most notably by an activity analysis (utilization survey) and through focus groups, online surveys and senior leadership interviews. The outcome of the activity analysis highlighted that the individual office workspaces, similar to those at Headquarters and the United Nations Office at Nairobi, are utilized throughout the day at an average rate of roughly 51 per cent.

21. It was determined that there are opportunities to increase the capacity of the facility beyond the 700 additional workplaces already included in the strategic heritage plan project baseline. To this end, work has commenced to develop a strategy for the implementation of flexible working that is fully tailored to the requirements and constraints of the United Nations Organizations based in the Palais des Nations. The new strategy is named "smart working" to reflect its focus on the end users. Consultations with all stakeholder groups concerned, in particular, staff representatives, have commenced. The implementation of smart working in Geneva is an important change management initiative which, as identified by the General Assembly in section XVIII, paragraph 9, of resolution 71/272 A, requires visible senior management sponsorship, advocacy and commitment to leading a successful transformation.

22. Smart working will be a paradigm shift from the traditional workplace in which every staff member requires an assigned desk to perform his or her work. Smart working is also flexible in that a variety of workspaces will support a range of different work modes and styles, which respond to the needs of individual staff and departments.

23. In addition to the quantifiable benefits of an overall more efficient use of space, smart working is expected to have considerable non-quantifiable organizational benefits, including:

(a) Enhancing collaboration and building stronger teams, including improving cross-departmental collaboration;

(b) Improving talent acquisition and retention by promoting a more modern working culture;

(c) Modernizing working practices by providing a wider variety of space types based on work-type requirements and encouraging the use of enhanced information technology tools;

(d) Providing space more equitably, on the basis of needs and not hierarchy; empowering all staff irrespective of grade level by enhancing access to a wider variety of information and places of work;

(e) Fostering an organizational culture and providing management tools in which individual and organizational performance is based on output, not physical presence;

(f) Providing a healthier work environment, including by increasing access to natural light and views, encouraging mobility and improving workstation ergonomics and work-life balance, including through teleworking;

(g) Improving operational resilience.

24. In this context, it was determined that, in those areas where the implementation of smart working flexible work space strategies was technically feasible, a workstation sharing ratio of up to 1:1.25 (5 staff assigned to every 4 workstations) could be set as an achievable target in the mid- to long term. This would be in line with the target set for Headquarters. Accordingly, it should be feasible to progressively increase the number of additional staff to be

accommodated on the campus by around 400, bringing the potential capacity increase for the Palais des Nations to 3,900 staff by the completion of the strategic heritage plan project. There is consequently a need to revise the overall office allocation plan for the entire compound. This would be undertaken in consultation with all stakeholders in order to address their various concerns related to the changes in the office space arrangements resulting from the introduction of smart working.

New office building H

25. The interior layout of new office building H is designed for open workspaces and the built-in flexible infrastructure necessary to accommodate the various groups of occupants during the initial utilization of the building as swing space. The implementation of smart working strategies will increase the accommodation capacity of the building, which in turn necessitates revision of the planned allocation of office space to the various organizational units. The related planning work has commenced and, once completed, will give a clear indication of the overall accommodation capacity of the new building. On the basis of current cost projections, it is anticipated that the implementation of smart working in building H will be met within the current budget allocated for the new office building.

Existing Palais des Nations buildings

26. The renovation of the existing buildings presents greater challenges in creating space efficiencies while preserving the heritage of the buildings. The structure of the buildings, with a 1930s office space layout, as well as heritage and historical preservation requirements, are major constraints to a cost-effective renovation, aimed at creating modern, healthy, efficient office space for all staff. As currently designed, the interiors of these buildings will, where possible, be changed from the existing individual offices to a hybrid layout that includes a mixture of both closed and open space environments by removing only the cross partition walls. This approach improves functionality and increases the capacity of the existing workplace to only a limited extent, budgetary considerations and important new ventilation requirements being the principal constraint.

27. With a significantly warming climate, delegates, staff and visitors increasingly find that temperatures in the summer months exceed comfortable levels. Within the historic buildings, the office areas are, at present, neither cooled nor even properly ventilated. Since the scope of the strategic heritage plan is focused on renovating and rehabilitating the existing installations, it did not include the installation of cooling or ventilation of office spaces in these buildings. The increasingly prolonged periods of hot summer weather in recent years have had a negative impact on the working conditions at the Palais des Nations. Since this trend is expected to continue, it is now deemed essential to include cooling and ventilation systems as additional requirements to ensure that the renovated premises will be fully functional and fit for purpose in the years to come.

28. However, this approach is constrained by the original design of the buildings, which features long, linear corridors, with ventilation provided only by opening the windows of the main office spaces. The removal of some of the corridor walls in appropriate locations, together with the provision of the necessary mechanical ventilation required to provide fresh air to occupants at the required building codes standards would then create open office and support spaces. While this is technically achievable, it would come with a significant cost premium.

29. The installation of cooling and ventilation systems in the historic buildings of the Palais des Nations would be significantly reduced in cost if provided, where

possible, for an open office environment rather than for individual cellular offices. The establishment of open work spaces would enable the application of smart working strategies in these buildings and thus create an efficient and healthier work environment at an acceptable extra cost.

30. Although clearly exceeding the scope of the strategic heritage plan and thus entailing a significant up-front capital investment, this new approach to the renovation of the Palais des Nations would provide the Organization with significant benefits. In addition to offering the quantifiable benefit of increasing additional space efficiency, as well as the full list of non-quantifiable benefits of smart working as described in paragraph 23 above, several other additional benefits would be gained:

(a) The initiative would provide the Organization with the most cost-effective and efficient way to address two important issues, namely the introduction of ventilation and cooling and flexible work space strategies;

(b) The initiative would avoid having two distinct types of spaces in the Palais des Nations compound, which would be the case if only the new building H were to include smart working and comfort cooling;

(c) The installation of mechanical ventilation and cooling as part of the strategic heritage plan project represents a significant opportunity to avoid significantly higher costs were it to be carried out some years after the completion of the plan.

31. Therefore, in order to transform the entire Palais des Nations campus into a fully modern work environment equipped for the future needs of the Organization by providing the necessary mechanical ventilation with comfort cooling, as well as fully utilizing the potential benefits of smart working throughout the compound, it is envisaged that additional up-front resource requirements, estimated to be in the range of CHF 40 million to 50 million, would be required.

32. Several options for the financing of the additional costs associated with the provision of ventilation, cooling and smart working in the existing historic buildings are currently being studied. Although this study is still in its early stages, the Secretary-General is committed to enabling the implementation of smart working and the improvement of ventilation and cooling throughout the Palais. To that end, he is actively exploring all feasible income streams to fund the associated additional cost with a view to minimizing the need for up-front capital that would otherwise have to be funded by Member States through additional assessments.

33. A feasibility study and the subsequent detailed design work incorporating the above changes into the renovation plans of the Palais des Nations is being launched to mitigate the risk of a delayed start of the renovation phase in 2018 and thus mitigate any potential delays to the overall project. The Secretary-General will report the results of the feasibility study and implications of the detailed design work, including a funding proposal, to the General Assembly at the earliest opportunity and not later than any decision is required from the Assembly, so as not to incur any project delays.

Implementation

34. Implementing smart working in the Palais des Nations would be a multiple-year strategy aligned with the delivery of the new building H and the renovation programme. A first phase would be planned, in order to give staff the necessary time and opportunity to adapt to this change.

35. In order to communicate the opportunities afforded by the creation of a smart working environment, which will be designed in a consultative manner, staff and their representatives will be engaged through visual and practical illustrations of a smart workplace environment. Visits to other office buildings with smart workplace environments will be organized. In addition, a pilot office area will be implemented in the Palais des Nations buildings, which will be used as a mock-up for technical requirements, as well as a change management tool with respect to stakeholders' communication and feedback. The new building will be a full-scale pilot office during the swing-space period. On the basis of lessons learned from the flexible workplace strategies project currently under way in New York, as well as industry best practices, it is essential that adequate effort and time be allowed, not only to implement the required change management process for all staff, but, in particular, to provide adequate management training, in order to ensure that managers in Geneva adjust their current management styles.

Attracting additional United Nations entities into the Palais

36. The United Nations Children's Fund (UNICEF) has expressed interest in relocating to the main Palais des Nations campus by 2020, to coincide with the end of its current lease. Accordingly, in line with section XVIII, paragraph 26, of General Assembly resolution 71/272 A, regarding the possibility of attracting additional United Nations entities to be accommodated at the renovated Palais des Nations, it is deemed feasible, through the application of smart working, to accommodate the offices of UNICEF in the new building H, upon its completion, in the United Nations Office at Geneva campus, should it wish to relocate its Geneva-based operations there by 2020. The possibilities in this regard are currently being explored within the revised space allocation plan throughout the campus, necessitated by smart working, together with consideration of any potential impact to the swing move capacity during the renovation works.

37. The Secretary-General continues to actively engage with United Nations entities with a presence in Geneva, encouraging them to be future tenants of the Palais des Nations, where they would benefit from a central location, shared amenities, greater security and other operational and mandate synergies. The United Nations Joint Staff Pension Fund, the United Nations Office for Disaster Risk Reduction, the United Nations Development Programme, the United Nations Office for Project Services and the World Food Programme have all expressed interest in being accommodated at the Palais. They would however be expected to agree to apply the smart working policies. Based on current and projected office space requirements, there is a high level of probability that, even with the introduction of smart working, the demand for office space at the Palais des Nations will continue to significantly exceed the supply and can be utilized further to achieve greater organizational efficiencies.

D. Furniture

38. The heritage furniture and the free-standing furniture have been assessed and quantified in a full inventory. The historic furniture will be kept wherever possible, will be stored and protected during the renovation and construction phases and will be refurbished as necessary and reinstalled. In addition, whenever possible, the existing conference room furniture will be kept and the new conference, simultaneous interpretation and audiovisual equipment will be integrated appropriately into the existing furniture where possible.

E. Update on measures to eliminate physical, communications and technical barriers to persons with disabilities

39. In section X, paragraph 30 of resolution 70/248 A, and section XVIII, paragraph 13, of resolution 71/272 A, the General Assembly requested the Secretary-General to ensure that the implementation of the strategic heritage plan takes into account measures to eliminate physical, communications and technical barriers to persons with disabilities, in particular regarding the improvement of the conference facilities, ensuring compliance with the Convention on the Rights of Persons with Disabilities. In line with this requirement, a full and comprehensive accessibility masterplan was provided by a specialist consultancy firm, and accessibility audits have been and continue to be implemented throughout the various design stages for both the new and the existing buildings.

40. The proposed design solutions have at all major design stages been shared with the disability working group, which meets on a regular basis. Comments and remarks by this group have then been taken into account and integrated into the subsequent design stages. Life-size mock-ups with proposed materials and finishes as required under the applicable codes will be built to allow for testing by the disability-working group and disabled people before final acceptance and construction throughout all the buildings concerned.

F. Reduction of energy consumption

41. One of the core objectives of the Strategic Heritage Plan is to lower the energy consumption of the Palais des Nations by at least 25 per cent as compared with the 2010 baseline, as stated in the Secretary General's report to the General Assembly (A/66/279, para. 11 (c) (iv)). A number of different strategies are being utilized to ensure that this objective is achieved.

42. The new permanent building has been designed to the Minergie energy efficiency standard, a Swiss certification programme for low-energy consumption buildings. The new building as designed has already been granted a provisional Minergie certificate. This will be confirmed following the construction of the building and is a contractual stipulation for the selected construction contractor in order to guarantee high-quality construction, lower operational costs and reduce the overall life cycle costs. It will also ensure that the users of the building are provided with a comfortable, sustainable and environmentally friendly workplace.

43. The environmental impact of the new permanent building will be further optimized through the use of an internal design tracking system that will guarantee a performance level equivalent to the internationally recognized environmental building Leadership in Energy and Environmental Design (LEED) Gold certification standard. The renovation of the Palais des Nations is also being designed with the aim of achieving additional energy savings, possibly seeking comparable energy certification labels, if possible within the budget allowed.

G. Information communications technology, broadcast and congress systems

44. As the design progresses, coordination efforts with local and global stakeholders have intensified. On the technical side, a complete overhaul of the structured cabling system, with a significant increase in capacity and comprehensive Wi-Fi coverage of all buildings will be provided, fully consolidated into one

comprehensive converged information and communications technology (ICT) network. This will greatly simplify the technical architecture, improving longer-term efficiency by eliminating duplication of infrastructure components, reducing maintenance and operation activities and improving information security. With the implementation of smart working, ICT support spaces and functions such as help desks, storage space, server rooms, computer laboratories and computer training rooms will be consolidated and centralized. All these are being coordinated locally with the Office of Information and Communications Technology/Regional Technology Centre-Europe.

45. Following a comprehensive review of the audiovisual equipment in the conference rooms, interventions have been prioritized on the basis of the remaining useful life of the existing equipment and its interoperability, in order to ensure that all conference rooms will provide an equally high level of service, including voting capabilities, delegate speech request list and management, multi-room networking and webcasting and videoconference capabilities. Interventions have been coordinated with all stakeholders and users to ensure that individual room heritage issues and other specific requirements are also considered in the renovation strategy.

46. At the global level, the technical coordination committee, comprising representatives from the Office of Information and Communications Technology and the Office of Central Support Services in New York, as well as the Global Engineering and Conferencing Section of the Office of Information and Communications Technology, continue to work with the project team to ensure that ICT systems rolled out in the context of the project follow established organizational technical standards. As part of the coordination efforts, a comprehensive review of the audiovisual and conferencing scope and design was performed, to ensure functional alignment and technical interoperability of the audiovisual and conferencing systems in Geneva and at Headquarters. During the relatively long life of the strategic heritage plan project, technological advances and information technology support requirements will almost certainly undergo significant changes and such risks emerging from the ever-accelerating innovation cycles will need to be carefully reviewed and managed to ensure that what is finally delivered will match user requirements at the end of the project and is scalable to future developments.

H. Fire and life safety

47. The existing historic buildings will be renovated to fully comply with the host country fire regulations and building codes, while ensuring that the heritage aspects of the Palais des Nations are fully respected. The detailed design studies have confirmed the mandatory improvements that must be performed to achieve code compliance. These requirements are more significant than originally anticipated, exceeding the initially projected requirements. The required renovations include: improving fire protection measures in all conference rooms; segregation of building areas, the definition of new exterior emergency exits, the definition and protection of all vertical and horizontal evacuation routes, fire protection of existing unprotected structures and the installation of dedicated fire resistant doors as well as fire rating upgrades to existing doors where necessary for heritage preservation. In compliance with host country regulations, natural and mechanical extraction installations, as well as fire alarm, detection and extinguishing systems will also be required. Firefighting truck access positions to the exteriors of all buildings have also been identified, defined and adequately taken into account.

I. Business continuity

48. The design of the renovation works and the emerging phasing plan include several measures to ensure, as far as is cost-effectively possible, the business continuity of United Nations activities, for example:

(a) The works described in the design and contract documents have been separated into different sections of works, which are now predominantly vertically linked. This has been done to reduce the interface between the renovation works and the building occupants and visitors. The sections have been defined to ensure the cost-effective and efficient phasing of the construction works and the simplified and efficient relocation of staff and to reduce the impact and disturbance on the operational parts of the buildings;

(b) Critical systems and technical rooms associated with daily operations have been identified and mitigation actions defined to ensure the business continuity of all such systems during the renovation works;

(c) During the construction phase of the renovation works, business disruptions will be mitigated as far as is practicable by temporary measures, and communication plans will be defined to ensure that all stakeholders understand in advance of the relevant works and swing space moves what will be required of them to ensure sufficient time to develop fully coordinated action plans.

49. As part of the ongoing review of planning and phasing of the renovation works, options are currently being explored, costed and assessed with regard to the potential for increasing the number of conference room closed for works during specific phases of the renovation works against the potential options for providing temporary conference buildings, converting portions of the existing buildings to temporary conference areas and/or utilization of alternate facilities as swing space for conferences.

J. Risk management

50. The independent risk management firm has continued to conduct an analysis of the risks and uncertainties to both the project schedule and the project budget every quarter since the last annual reporting period in accordance with the method described in the third annual progress report (see A/71/403, para. 54). This forecast analysis comprises the results from assessments of the risks identified by the integrated risk management team, project team, programme and project management staff, lead design firm and project stakeholders.

51. With the application of this professional risk management approach to the project, risks have been mitigated throughout the year until they have been removed, closed or retired progressively following the completion of design definition stages. This could be due to the transfer of a risk item into the project works; for example, the main curtain wall façade in building E was originally thought to be in a satisfactory condition, with two broken panes of glass thought to be an isolated incident covered by building insurance, and therefore allowances were made only for repairs to the façade. As the project has progressed, it has become apparent that a much more serious problem exists, as the glue retaining the glass continues to fail, necessitating its full replacement. While a risk was forecast for the façade works, it has increased progressively in value and reached a probability level of 100 per cent. It has now been incorporated into the budgeted works and retired from the risk register.

52. In addition to the façade risk referenced above, the team has identified the following risks as currently being of the highest potential severity (a combination of likelihood and impact) among the risks being tracked for the project:

(a) Delayed implementation of the smart working strategy increases design and construction costs and delays the overall programme;

(b) Higher than anticipated design requirements to meet fire/life safety codes in buildings to be renovated, particularly buildings A, E and B1;

(c) Design errors and omissions in contracted works;

(d) Logistics routes for construction being disrupted by the operational requirements of the Palais;

(e) Maintaining business operations and security requirements for the renovation phase.

53. The team continues to closely monitor and implement mitigating actions to control these and all project risks.

54. The risk contingency forecasts provided by the independent risk management firm use the estimated uncertainty calculations, and the costs and schedule impact of the risks, to calculate the probabilistic recommended level of contingency provision required at the 80 per cent certainty level to complete the full scope of the project and to achieve all the identified benefits and objectives. Since the third progress report of the Secretary-General was issued, while taking into account paragraph 30 of the third annual progress report of the Advisory Committee on Administrative and Budgetary Questions (A/71/622), the approach taken has remained consistent. To ensure full accountability and transparency, it has been applied in order to identify the level of risk exposure within each of the buildings and works across each specific phase of the project, and corresponding contingency amounts have then been assigned. To date, no changes to the approved maximum overall cost of the project are forecast against the base project scope. Allowance has been made within the risk analysis for potential design changes in relation to smart working in the new building H only, at this stage.

K. Implementation strategy for the renovation works

1. Background

55. While the new permanent building H has been procured separately on a lump sum contract, the strategic heritage plan baseline implementation strategy consists of engaging a single general contractor for the renovation of all the existing Palais des Nations buildings. Currently, the design work for the renovation is being completed to the technical design level for buildings A and B1, but only up to the detailed design level, a significantly lesser level of design completion, for buildings B2, C, D, S and E.

56. In the baseline implementation plan for the existing buildings, a general contractor would be engaged to perform all the renovation work, in addition to completing the design for buildings B2, C, D, S and E and then performing the work on those buildings on the basis of the completed design.

57. The design for the renovation work has evolved considerably in recent months and the project team now has better information on existing building conditions and stakeholder requirements and can make more informed decisions on the most appropriate implementation and procurement strategy for the renovation works. With this more detailed understanding of the existing conditions and the complexity

of the work, it was deemed prudent to review the plan and make adjustments before moving forward with a very large and complex procurement for the renovation work. A number of high-risk areas have been identified that introduce additional levels of complexity and now justify considering an alternate implementation strategy.

2. Refined implementation strategy

58. Risk analysis indicates that contracting a single general contractor for all the buildings, with two levels of design completion, represents a higher risk of claims during the future administration of the contract than an alternative whereby the contractor would bid on a completed design. These risks, which include consultation with the construction industry, consideration of the impact of flexible workplace strategies and several emerging risks with respect to hazardous materials and life safety in the E building, have been analysed by the project team. The team has therefore refined the planned implementation strategy for the project.

59. The new implementation strategy is to bring all renovation works required to full technical design, a more complete level of design, which will allow for tendering the work in a more traditional design-bid-build mode. This would increase competition for the work and decrease risk. Two different renovation contracts will therefore be tendered, one for the original 1930s Palais des Nations (buildings A, B, C, D and S), and the other for the very different 1970s building E. The work of the two contractors would be separated both in time and in the work areas, which would be physically apart.

60. This change of implementation strategy will not have an impact on the overall budget or schedule. However, the change will be of great benefit as a means of mitigating risks to the project, providing more competitive bids and reducing the probability of cost overruns and contractor claims.

L. Project schedule

61. The latest programme schedule has been updated to reflect the refinement in the implementation strategy relating to the renovation works described in section K above. The schedule indicates the next key project milestones as follows:

(a) Construction firm appointed by the third quarter of 2017 for the commencement of the major construction works of phase 1 — new building H;

(b) Continuation of the technical design and preparation of tender documentation and procurement of the contractor for phase 2.1 — renovation of the 1930s historic buildings during 2018;

(c) Construction firm appointed by the end of 2018 for phase 2.1 — renovation of the 1930s historic buildings;

(d) Substantial completion of phase 1 — new building H construction works by the end of 2019;

(e) Continuation of the technical design and preparation of tender documentation and procurement of the contractor for phase 2.2 — renovation of the 1970s building E works from 2019 to 2021;

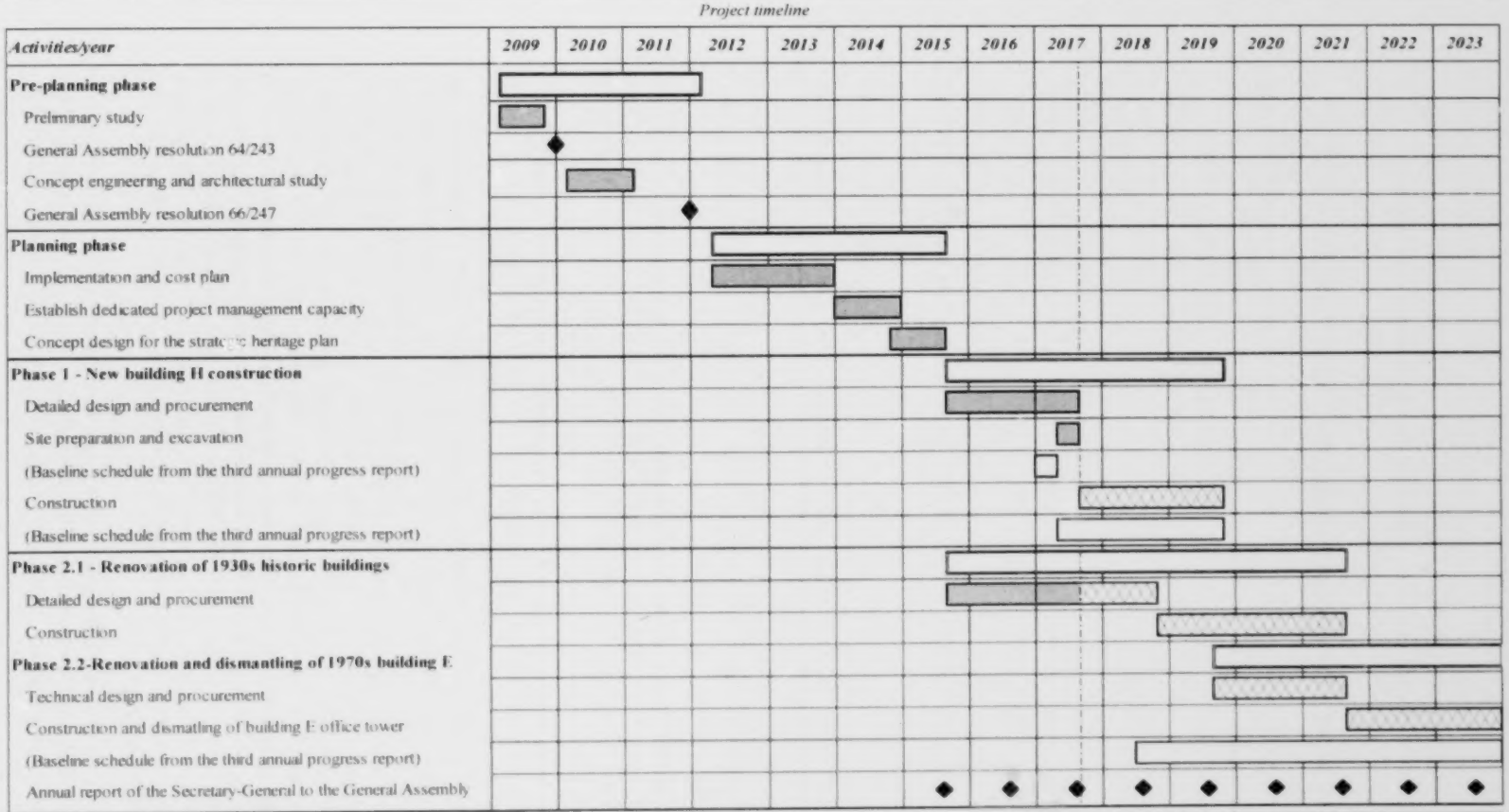
(f) Construction firm appointed during 2021 for phase 2.2 — renovation of the 1970s building E;

(g) Completion of the renovation of the 1970s building E and dismantling of the building E office tower by the end of 2023.

62. Figure 2 indicates the updated project schedule of works. The revised schedule shows that some programme delays of three months were incurred earlier in the year during the design and procurement activities for the new building H. These have, however, been successfully mitigated in the latter part of the year by the completion of the tender evaluation and award recommendation period faster than originally planned and by the contract programme for the works received from tendering contractors complying fully with the originally planned end date.

63. The renovation works are also now shown as starting later than originally envisaged, due to the refined implementation strategy previously described. However, these works remain within the overall programme as the further design work has now been completed before the tendering of the works rather than after the tendering of the works as originally envisaged.

Figure 2
Project schedule



Phase 1 - New building H construction:
Site preparation and excavation of new building H
Construction of new building H

Phase 2.1 - Renovation of 1930s historic buildings
Renovation building A (conference)
Renovation building B
Renovation building C (offices and conference)
Renovation building D (offices)
Renovation building S (offices)

Phase 2.2 - Renovation and dismantling of 1970s building E
Renovation building E (conference) and dismantling of building E (office tower)

Legend
Phase
Completed
To be completed
Baseline

M. Costs

64. As provided in previous progress reports of the Secretary-General, table 1 shows the latest revised cost plan, reflecting the current project progress.

Table 1
Projected summary cost plan for the strategic heritage plan project from 2014 to 2023
(Thousands of Swiss francs)

	2014	*2015*	*2016*	*2017*	*2018*	*2019*	*2020*	*2021*	*2022*	*2023*	***Total***
Construction of new building	–	–	–	9 890	59 989	43 224	320	–	–	–	**113 424**
Renovation works	–	–	–	–	9 120	50 018	116 332	69 733	108 881	43 062	**397 145**
Dismantling seven floors of the building E	–	–	–	–	–	–	–	7 264	12 711	–	**19 975**
Associated costs	–	–	–	782	1 675	6 982	10 545	13 712	6 071	5 804	**45 572**
Consultancy services	1 705	23 685	36 857	7 268	8 139	7 522	8 499	9 891	10 724	6 815	**121 106**
Project management	1 268	2 890	3 981	4 631	4 601	4 525	4 531	4 511	4 511	3 431	**38 882**
Escalation	–	–	–	–	172	1 371	5 094	5 330	9 802	4 870	**26 638**
Subtotal	**2 973**	**26 575**	**40 838**	**22 572**	**83 697**	**113 641**	**145 321**	**110 441**	**152 700**	**63 983**	**762 742**
Contingencies	–	–	–	3 750	6 708	10 141	14 141	16 018	16 837	3 251	**70 845**
Escalation on contingencies	–	–	–	–	31	148	496	840	1 141	257	**2 914**
Total	**2 973**	**26 575**	**40 838**	**26 322**	**90 436**	**123 931**	**159 958**	**127 299**	**170 678**	**67 490**	**836 500**

65. The changes to the cost plan since the previous progress report (A/71/403) relate to further refinements and a higher level of design detail, which result in more accurate cost data.

66. The updated cost estimate for the construction of the new permanent building H is aligned with the actual contract award figures for both the early works package and the main construction works and is now CHF 0.6 million lower than in the previous estimate.

67. The total estimated costs for the renovation works of the existing Palais buildings have increased significantly, by CHF 38.7 million, of which CHF 15.8 million relates to the historic Palais buildings, constructed in the 1930s, and CHF 22.9 million to the renovation of conference building E. This is largely due to the further development of the design to the 50 per cent detailed design stage for buildings B, C, D, E and S and the nearly fully completed technical design for buildings A and B1. Specifically, these changes are largely driven by the necessity for much more extensive works for fire and life safety code compliance than originally envisaged, most significantly, for building E, due to the worse-than-anticipated condition of the building, in particular the main building façade, the mechanical, electrical and plumbing works and particular deficiencies in the fire and life-safety compliance of the building as compared with current codes. These issues are exacerbated by the high levels of asbestos utilized in the original construction of building E, which increases considerably the costs necessary to undertake works in such a way as to protect both the occupants of the building and the workers that will be involved in its renovation.

68. The costs estimated for associated costs have decreased by approximately CHF 7.0 million, due to the inclusion of partitions and fixed furniture as part of the construction works contract. In the early stages of the project, allowances for office

partitions and for furniture were made under associated costs as it was not known at the time if these were to be implemented as office furniture or as part of the base construction. With the finalization of the technical and tender design, together with the smart working office layouts, it has become clear that a significant portion of the partitioning, and to a lesser extent some fixed furniture, will be built into the new permanent building and constructed as part of the construction works contract. The associated costs have been reduced accordingly and these works included within the construction works for the new permanent building.

69. The estimated consultancy services costs increased by approximately CHF 1.3 million due to durations longer than initially planned of the design for the renovation works and a longer technical contract administration phase for the new permanent building. The revised forecast for contracted programme management support (including risk management) is in line with the revised programme requirements, and includes an estimated cost increase of CHF 1.6 million, due to a longer-than-planned required overall duration of these services.

70. The amount of projected contingency has been revised downwards as compared with the previous report in accordance with the overall contingency management strategy contained in paragraphs 81 to 84 below.

71. The estimated escalation rates calculated for the project, following a review with the professional construction cost advisers, are 1.2 per cent for 2018, 1.4 per cent for 2019 and 1.6 per cent per year from 2020 onwards. These updated escalation rates are applied to the planned monthly expenditures of each project cost element. They are not calculated on project costs which were already contracted and committed at the time of drafting. Escalation on future costs within 2017 is estimated at 0.0 per cent. Moreover, in line with the standard practice in previous reporting periods, any escalation within the current reporting year would be absorbed into the projected full annual 2017 cost. The total forecast escalation requirements for the remaining project duration are CHF 10.6 million lower than in the previous report.

72. Actual cumulative project expenditure for the period from 2014 to 31 August 2017 amounted to CHF 82,136,745 and the projected expenditures for the remainder of the year 2017 are estimated at CHF 14,571,654, as presented in table 2.

73. As 2017 marks the first year of joint funding from both assessments on Member States and the Swiss loan for the new building H construction, the appropriations from these two main funding sources are tracked separately from each other.

74. In order to provide full transparency on the usage of funds from the various funding sources of the project and to enable expenditures to be tracked separately against these, table 3 provides the funding situation against Member State assessed contributions only.

Table 2
Approved total funding and projected expenditures for 2014-2017
(Thousands of Swiss francs)

Description[a]	*Approved Member State funding 2014-2016*	*Approved Member State funding 2017*	*Total approved Member State funding 2014-2017*	*Projected Swiss loan funding 2017*	*Total funding 2014-2017*	*Expenditures as at 31 August 2017*	*Projected expenditures September-December 2017*	*Total projected expenditures for 2014-2017*
Construction and refurbishment		3 608.0	3 608.0	9 890.2	13 498.2	3 054.3	8 761.4	11 815.6
Design, consultancy and contracted external expertise	65 532.9	2 134.7	67 667.6	3 672.0	71 339.6	68 387.1	2 952.4	71 339.6
Associated costs	566.9	215.5	782.4		782.4		782.4	782.4
Project management team and operational expert team	8 038.1	4 474.5	12 512.6		12 512.6	10 482.5	2 030.1	12 512.6
Travel	196.4	61.8	258.2		258.2	212.9	45.3	258.2
Total	**74 334.3**	**10 494.5**	**84 828.8**	**13 562.2**	**98 391.0**	**82 136.7**	**14 571.7**	**96 708.4**

[a] Contingencies and escalation are included within the line amounts.

Table 3
Approved appropriation from Member States and projected expenditures for 2014-2017
(Thousands of Swiss francs)

Description[a]	*Approved Member State funding 2014-2016*	*Approved Member State funding 2017*	*Total approved Member State funding 2014-2017*	*Expenditure against Member State funding as at 31 August 2017*	*Projected expenditures September-December 2017*	*Total projected expenditures for 2014-2017*
Construction and refurbishment		3 608.0	3 608.0		1 925.4	1 925.4
Design, consultancy, and contracted external expertise	65 532.9	2 134.7	67 667.6	65 385.9	2 281.7	67 667.6
Associated costs	566.9	215.5	782.4		782.4	782.4
Project management team and operational expert team	8 038.1	4 474.5	12 512.6	10 482.5	2 030.1	12 512.6
Travel	196.4	61.8	258.2	212.9	45.3	258.2
Total	**74 334.3**	**10 494.5**	**84 828.8**	**76 081.3**	**7 064.9**	**83 146.2**

[a] Contingencies and escalation are included within the line amounts.

75. Cumulative expenditures against assessments on Member States amount to CHF 76.1 million as at 31 August 2017 and projected expenditures until the 2017 year-end are currently forecast at CHF 7.1 million against this funding source. This would yield an expected year-end balance from assessments on Member States of approximately CHF 1.7 million, as difference between the remainder of the received 2017 contingency allowance and the currently projected contingency requirement, which will be carried over into the following year. The actual year-end balance may prove to vary from this, depending whether the contingency allowance provided for in 2017 will be further used until year-end 2017.

76. As presented in table 4 and in accordance with the previous progress report (A/71/403), the approved funding anticipated to be drawn from the Swiss loan in 2017 amounted to CHF 37,655,900. Due to the decision to have a separate enabling works package and delays to the tender process, the main construction of the new

permanent building starts later in 2017 than envisaged and will be carried out over a more compressed timescale. Therefore, the expected full year 2017 funding requirements for expenditures against the Swiss loan amount to CHF 13.6 million.

Table 4
Projected funding from the Swiss loan and projected expenditures for 2014-2017
(Thousands of Swiss francs)

Description[a]	*Projected Swiss loan funding 2017 (as per A/71/403)*	*Projected Swiss loan funding 2017 (in current report)*	*Expenditure against Swiss loan funding as at 31 August 2017*	*Projected expenditures September-December 2017*	*Total projected expenditure for 2014-2017*
Construction and refurbishment	32 228.0	9 890.2	3 054.3	6 836.0	9 890.2
Design, consultancy and contracted external expertise	5 427.9	3 672.0	3 001.2	670.8	3 672.0
Total	**37 655.9**	**13 562.2**	**6 055.5**	**7 506.7**	**13 562.2**

[a] Escalation is included within the line amounts.

77. The current year-to-date expenditures against the Swiss loan amount to CHF 6.1 million, for the early works construction activities and the design, consultancy and contracted external expertise costs related to the new permanent building.

IV. Financing

A. Host country loan agreement

78. The General Assembly, in section X, paragraph 19, of resolution 70/248 A, approved the financing of the project in part through an interest-free loan from the host country and authorized the Secretary-General to formally apply for the loan in the amount of CHF 400 million. In section XVIII, paragraph 17, of resolution 71/272 A, the Assembly further invited the Secretary-General to take advantage of the loan package offered by the host country. The Swiss Parliament approved the Secretary-General's formal loan application and the corresponding loan contract was signed in April 2017.

79. The total loan amounts assigned to the new building and the renovation remain unchanged, at CHF 125.1 million and CHF 274.9 million, respectively. While the agreed loan split remains applicable, due to the dynamic character of the cost development, the eventual amount applied thereon can be determined only once the actual incurred costs for the new building are known. Should any balance from the new building portion loan be achieved, such balance to the agreed CHF 125.1 million would then be applied to the renovation of the existing buildings.

B. Detailed host country loan repayment plan

80. According to the latest project schedule, the 50-year loan repayment for the loan portion applied to the new permanent building H will begin at the end of 2020, the year of occupation of the new building. This is one year later than estimated in the Secretary-General's third annual progress report to the General Assembly (A/71/403). The repayment of the renovation portion of the loan will start in 2023.

C. Contingency management

81. The contingency management for the project continues, as in the previous progress reports, to be based on the risk contingency forecasts provided by the independent risk management firm as described in section III.J above. In this context, it is important to note the methodological differences in the calculation of the various contingency amounts to be considered in the project contingency management.

82. The recommended contingency allocation at a P80 confidence level is the benchmarked result of the annual risk estimate modelling performed by the independent risk management firm, after simulating in excess of a thousand probabilistic computer modelled risk and uncertainty combinations for the remaining overall project duration, based on the latest project information. Accordingly, these calculations determine the amount of contingency necessary to protect the project against all the possible risk and uncertainty combinations at an 80 per cent confidence level.

83. The probabilistic quantitative risk assessment methodology utilized for the project, which was described in section II.C of the third annual progress report (A/71/403), projects a current risk exposure at the P80 probability level of CHF 89.3 million. The available contingency included in the cost plan assigned against this probabilistic risk exposure amounts to CHF 70.8 million for the period 2017-2023, excluding escalation. In overall terms, the risk exposure has reduced over time as the design became more certain and contract prices were agreed upon. The assigned contingency within the CHF 836.5 million project envelope is CHF 23.4 million lower than in the previous year and represents 79.3 per cent of the updated P80 value.

84. In terms of used contingency, in 2016, after the submission date of the previous General Assembly report (A/71/403), unforeseen expenditures had to be covered from the contingency allotment received for additional design services relating to the detailed design of the renovation works, amounting to CHF 230,388, and temporary additional programme management consultancy work amounting to CHF 44,282. Costs were also incurred in terms of smart working consultancy services described in paragraph 21 that were also not originally envisaged, which led to additional costs of CHF 464,276 and CHF 410,145 in the first part of 2017. This currently disbursed amount of CHF 410,145 in 2017 against contingency allotments received, might still increase until year-end, after submission of the present report, should any further unforeseen activities be required.

D. Scheme of appropriation and assessment

85. The General Assembly, in its resolution 71/272, decided to revert to the establishment of an assessment scheme and the currency of appropriation and assessment for the strategic heritage plan at the main part of the seventy-second session of the General Assembly. Three possible schemes of appropriation and assessment for the project (one-time up-front appropriation and assessment, multi-year appropriations and assessments, or one-time up-front appropriation with a mix of either one-time and multi-year assessments), as well as two options for the currency of appropriation and assessment (the United States dollar or the Swiss franc), which were presented by the Secretary-General in his previous progress reports (A/70/394 and A/71/403) remain valid. As requested by the Assembly, updated charts of these options are presented in figures 4, 5 and 6, and detailed information is provided in annex I of the present report.

86. The General Assembly, by its resolutions 68/247, 69/262, 70/248 and 71/272, has to date appropriated a total amount of CHF 84.8 million for the period from 2014 to 2017. Moreover, voluntary contributions were received, offsetting assessments on Member States in the amount of CHF 1.9 million. Consequently, the anticipated cost of the project which still remains to be financed by Member States, amounts to CHF 349.8 million (excluding the utilization and repayment of the host State loan).

87. The Secretary-General is currently negotiating the completion of the legal agreement for the long-term lease of the land plots of the Villa Feuillantines, which would yield an income of CHF 25.6 million, which would most likely be received in three instalments in 2019, 2020 and 2021, in order to avoid building up large amounts of Swiss francs in the project bank account.

88. Besides the aforementioned additional funding from donations and valorization of United Nations-owned land, the two main elements of funding (the host country loan and Member States contributions) would be utilized each year as follows:

(a) The Swiss loan portion for the new permanent building H commenced utilization during 2017 and is expected to be exhausted in its entirety by 2020 to fund all eligible costs for the new building, that is, the costs of construction and consultancy services, in the amounts forecast of CHF 13.6 million in 2017, CHF 64.2 million in 2018, CHF 47.3 million in 2019 and the remainder of CHF 28,096 in 2020.

(b) The loan portion for the renovation works would be used from 2019 onwards to fund part of the eligible costs for the renovation works of the existing buildings, the related consultancy services and the dismantling of the building E office tower, for an estimated total amount of CHF 274.9 million. As described in previous reports, any remaining costs of construction and consultancy services for the renovation of the existing buildings exceeding the initially agreed CHF 274.9 million available from the Swiss loan for the renovation, would be covered from Member States appropriation and/or donations and valorization income, the latter two depending on their respective levels of earmarking, the timeliness of their receipt and the point at which the actual works are undertaken.

89. As indicated in the previous progress reports, assessed contributions received from Member States would be used each year to fund costs not eligible to be covered by the loan and not to be financed by voluntary contributions or other income and the following options for appropriation and assessment are again proposed for a decision by the General Assembly:

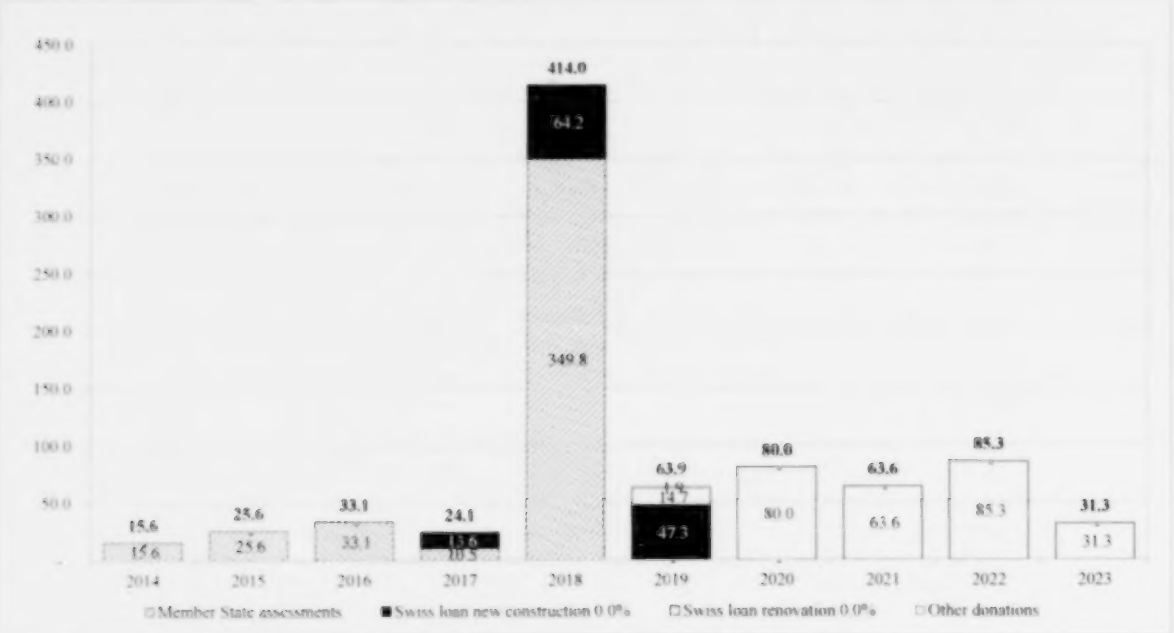
(a) One-time up-front appropriation and assessment

90. The remaining cost of the project to be financed by Member States from 2018 onward (CHF 349.8 million, excluding repayments of the loan) would be appropriated in its entirety in 2018, together with a one-time up-front assessment for each Member State's related share, based on the regular budget scale of assessment applicable to 2018. The detailed financing scheme for this option is shown in table A1 in annex I and figure 3.

91. It should be recalled that, under this option, as the Secretariat continues to explore alternative funding mechanisms (see section I below), the amount equivalent to future confirmed income generated through valorization of United Nations land and future donations received, which cover elements currently within the scope of the project, would be returned to Member States.

Overall financing overview: upfront appropriation in 2017 and annual use of loans*

(Millions of Swiss francs)



* Excluding repayments of the loan.

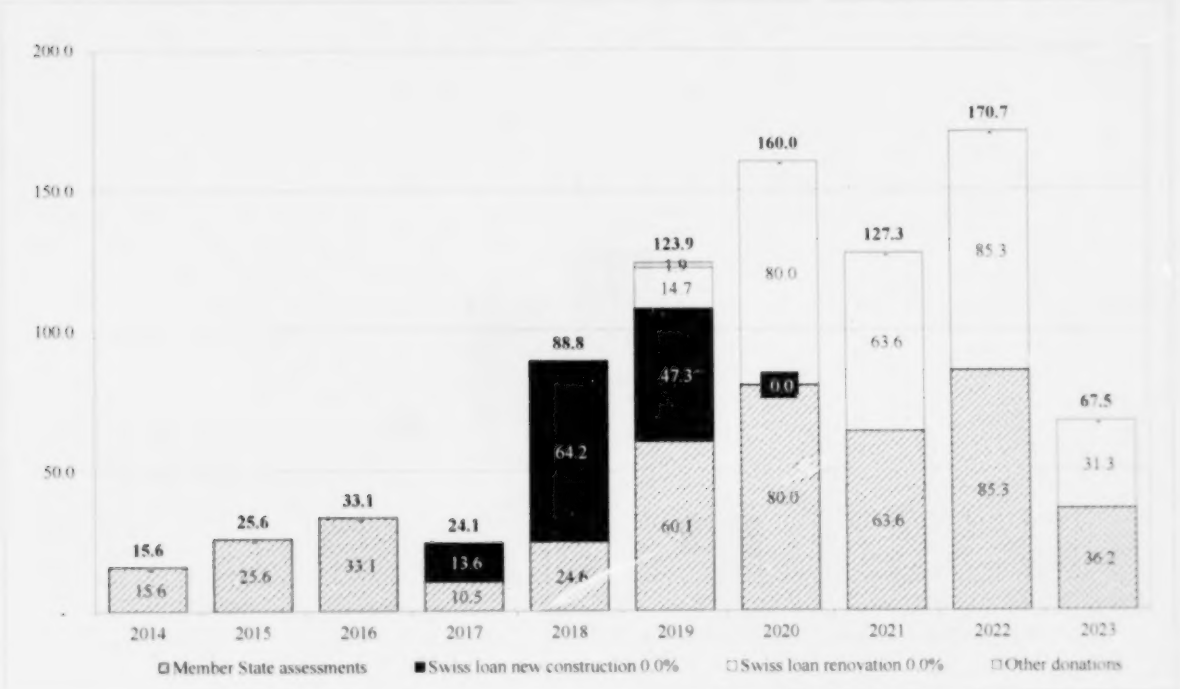
(b) Multi-year appropriation and assessment

92. Multi-year appropriations and their related annual assessments on Member States could be based on the estimated expenditures for each financial period or on the average annual projected expenditures, as explained in paragraphs 93 and 94 below. For both options, the regular scales of assessment applicable to each financial period for which the assessments are made would be used. For both options too, the amount of any future confirmed income generated through valorization of United Nations land and future voluntary contributions received, which cover elements within the scope of the project, would be credited towards the future yearly appropriation and assessment on Member States, in their respective year of applicability to the project costs.

(i) Based on the estimated expenditures for each financial period

93. Figure 4 depicts the overall financing scheme, based on the estimated expenditures for each financial period (see also table A2a in annex I for the detailed financing scheme). The yearly use of the renovation loan and of assessed contributions would be determined annually from 2019 onwards as 50 per cent of the total required funding from the loan and 50 per cent from assessed contributions (less any income received from voluntary donations or valorization income). Depending on the timeliness of the assessment payments received by Member States, there could be some cash flow risks to the project under this option. Should Member States decide as in previous years to appropriate the annual amount for the next forthcoming year only, the amount for 2018 would be CHF 24,896,989.

Figure 4
Overall financing overview: appropriation and loans based on annual projected expenditures*
(Millions of Swiss francs)

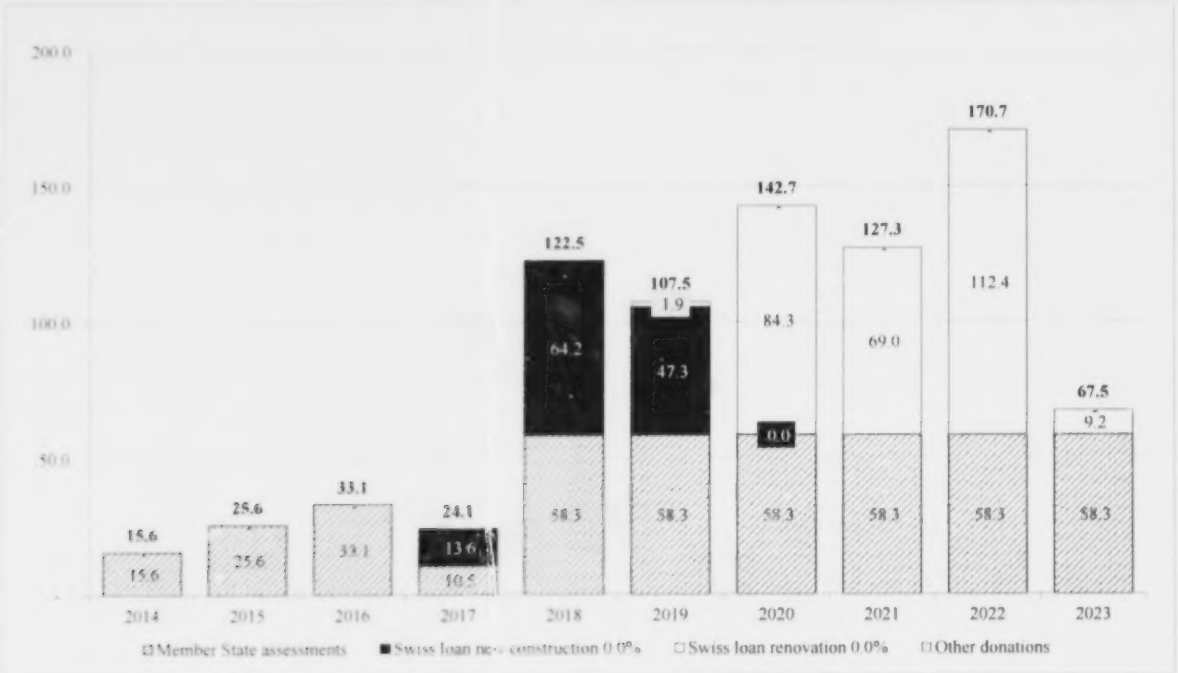


* Excluding repayments of the loan.

(ii) Based on the average annual projected expenditures

94. This option would result in equal amounts to be appropriated and assessed at annual intervals. Figure 5 depicts the overall financing scheme with equal annual Member States assessments, based on the average of the total project resource requirements (see table A2b in annex I for the detailed financing scheme). Under this option, the amount to be financed by Member States from 2018 to 2023 would be averaged equally over the six-year period in annual amounts of CHF 58.3 million. The use of the renovation loan would be adjusted accordingly, as also indicated in figure 5.

Figure 5
Overall financing overview: equal annual appropriation and annual use of loans*
(Millions of Swiss francs)



* Excluding repayments of the loan.

(c) One-time upfront appropriation, with mix of one-time and multi-year assessment

95. Under this option, the remainder of the cost of the project to be financed by Member States would be appropriated in its entirety at the beginning of 2018 but individual Member States would then each be able to decide, whether their assessment would be in the form of a one-time upfront payment or assessed over a multi-year period. The phasing of the multi-year assessment could be based either on the estimated expenditures for each financial period, or on the average annual projected expenditures of the project. Member States would have to make their selection (upfront or annual payment) upon receipt of the assessment letter in January 2018, which would include the amounts corresponding to the two options. Once a decision is made, it would be irrevocable. As the scale of assessment usually changes every three years, gains and losses might occur as the scale of assessment changes between Member States that select a one-time assessment and those that select a multi-year assessment. Taking this into account, the General Assembly, under this option, would need to decide which scale of assessment to apply for the life of the strategic heritage plan.

96. It should also be noted that, under this option, the amount equivalent to future income generated through the valorization of United Nations land and future voluntary contributions received that cover elements within the scope of the project would be either returned to those Member States that have selected the one-time upfront payment option or credited against future yearly assessments of those Member States that have selected the option.

E. Currency of assessment

97. Financial regulation 3.10 provides that annual contributions and advances to the working capital fund shall be assessed and paid in United States dollars. Financial regulation 4.14 also provides that, unless otherwise provided by the General Assembly, special accounts shall be administered in accordance with the Financial Regulations.

98. However, since it is expected that the contracts and related expenditures for the project will be denominated primarily in Swiss francs, and since the loan from the host country will also be in Swiss francs, the General Assembly may wish to decide that the appropriation and assessment for the strategic heritage plan will be in Swiss francs to match the predominant expenditures, rather than United States dollars. The risks associated with both options (appropriation and assessment in United States dollars or in Swiss francs), as well as possible mitigating measures, are presented in paragraphs 99 to 102 below.

Option 1: Appropriation and assessment in United States dollars

99. Assessments would be issued in United States dollars to Member States in accordance with the scheme of appropriation that the General Assembly would have decided on (see section B above), and Member States would make contributions in United States dollars into a United States dollar bank account. Since the contracts and related expenditure for the strategic heritage plan would be denominated primarily in Swiss francs, receiving contributions from Member States in United States dollars would expose the Organization to a currency risk vis-à-vis the Swiss franc at the time of appropriation if such appropriation takes place on a yearly basis rather than up front. Therefore, the amounts proposed for appropriation for each financial period would be the equivalent in United States dollars of the Swiss franc funding requirements of the project (either projected yearly expenditure or average yearly expenditure in accordance with paragraphs 93 and 94 above), converted at the forward exchange rate at the time of appropriation. As reflected in Assembly resolution 71/272, section XVIII, paragraph 30, the amount proposed for appropriation for 2017 was the equivalent in United States dollars of the Swiss franc funding requirements of the project, converted at the revised appropriation rate of exchange of 0.960 Swiss francs/United States dollars.

100. In addition, after appropriation, as the expenditure would occur during the year, there would be an additional exchange rate risk during the annual financial period. To mitigate the exchange rate risk after appropriation, and as authorized by the General Assembly in its resolution 67/246, the Secretariat continued to purchase Swiss franc forward contracts at the same rate of 0.960 Swiss francs/United States to cover the funding requirements of the project for 2017. The Secretariat intends to continue using this risk-mitigating measure for the duration of the project, should the Assembly decide on appropriation and assessment in United States dollars.

Option 2: Appropriation and assessment in Swiss francs

101. To minimize currency-risk exposure resulting from differing currency denominations between the incoming funds from Member States' contributions and the outgoing funds of the project disbursements, Member States may wish to decide that the appropriation and assessment for the strategic heritage plan be in Swiss francs. This decision would minimize the currency-risk exposure as outlined in paragraphs 99 and 100 above. However, amounts assessed and contributed in Swiss francs, to the extent that resulting balances would exceed certain thresholds, may be subject to any negative interest rates, as explained in paragraph 103 below.

102. Under this option, the General Assembly would decide on appropriations in Swiss francs, decide on assessments to be issued in Swiss francs, and Member States would make contributions in Swiss francs into a Swiss franc bank account. It should be noted however that the current processes and systems in use within the Organization for the issuance of assessment and for the related accounting and reporting on the status of contributions have to date been based on the currency stipulated in regulation 3.10 of the Financial Regulations and Rules of the United Nations and consequently have not been adapted to address contributions assessed and received in currencies other than the United States dollar. Should assessment be in Swiss francs, ad hoc arrangements (such as a separate spreadsheet or database solution) would have to be established for the issuance and reporting on such assessment.

F. Negative interest rates

103. A dedicated Swiss franc bank account has been created for the strategic heritage plan project to receive the loan amounts drawn down. The risks related to negative interest rates are being managed and mitigated through a combination of cash-flow management and a negotiated flexibility in the threshold level with the bank, although this may not be sufficient to entirely avoid negative interest, depending on the scheme of appropriation and currency of appropriation selected. The funds drawn from the Swiss loan will continue to be disbursed in varying instalments throughout each year to match the specific cash flow requirements of the project, with a view to mitigating the risk of negative interest rates.

G. Multi-year special account

104. In the second and third progress reports on the strategic heritage plan (A/70/394 and A/71/403), the Secretary-General proposed that the accounting of the project be undertaken through a multi-year special account, funded through appropriation and assessments separate from the regular budget. It was explained in the reports that the establishment of a special account would permit the segregation of the cost pertaining to the plan from the programme budget of the Secretariat.

105. Other benefits of establishing a multi-year account were also explained in the reports, in particular the fact that it would provide the project owner and programme managers with the flexibility to manage resources over a long-term horizon in line with the scheduled needs of the project, as opposed to being constrained by the fiscal timing of the regular programme budget cycle and would avoid the procedural and administrative duplication whereby uncommitted balances are returned to Member States at the end of a biennium only to be requested once more for the following biennium as part of the subsequent proposed programme budget. Those benefits also apply to the multi-year construction-in-progress account under the programme budget of the United Nations that the General Assembly approved in resolutions 70/248 A and 71/272 A for the expenditure of the strategic heritage plan for 2014-2017. However, such an account extended until the end of the project would still not be able to accommodate appropriations and assessments in Swiss francs and therefore, should the Assembly decide on appropriations and assessments in Swiss francs, and therefore the establishment of a multi-year special account separate from the regular budget would be required.

106. It should be noted that, in order to avoid keeping the multi-year special account open over an extended period of time, the yearly repayments of the loans would be funded under the special account for the duration of the project until 2023,

but would thereafter be included in the programme budget for the relevant periods. The multi-year special account would be closed after the financial and administrative close out of the project, assuming assessments would have been paid in full by all Member States.

H. Cash-flow risk

107. In his third progress report on the strategic heritage plan (A/71/403), the Secretary-General proposed that, should the General Assembly decide on the establishment of a multi-year special account for the project, the plan be granted access to the working capital fund of the programme budget established under financial regulation 4.2 as well as to the special account. The Assembly, by its resolution 71/272, endorsed the view of the Advisory Committee on Administrative and Budgetary Questions that, at this stage, pending a decision of the Assembly on the scheme of appropriation and assessment, its consideration of a mitigating measure for a possible cash-flow risk was not valid.

108. The Secretary-General still considers that, while the appropriation and assessment options a (one-time upfront appropriation and assessment) and c (one-time upfront appropriation, with a mix of one-time and multi-year assessments) would increase the cash position at the start of the project, providing the capacity to respond to any cash-flow requirement that may arise, option b (multi-year appropriations and assessments) would present some cash-flow risks. To mitigate these risks, and should the General Assembly decide on the establishment of a multi-year special account for the project, it is proposed that the strategic heritage plan be granted access to the working capital fund of the programme budget established under financial regulation 4.2 as well as to the special account. It should be noted that, should the Assembly decide that the accounting of the project continue to be undertaken through a multi-year construction-in-progress account under the programme budget of the United Nations, as approved in its resolutions 70/248 and 71/272 for the expenditure of the plan for 2014-2017, access to the working capital fund and the special account would be de facto granted under financial regulation 4.2.

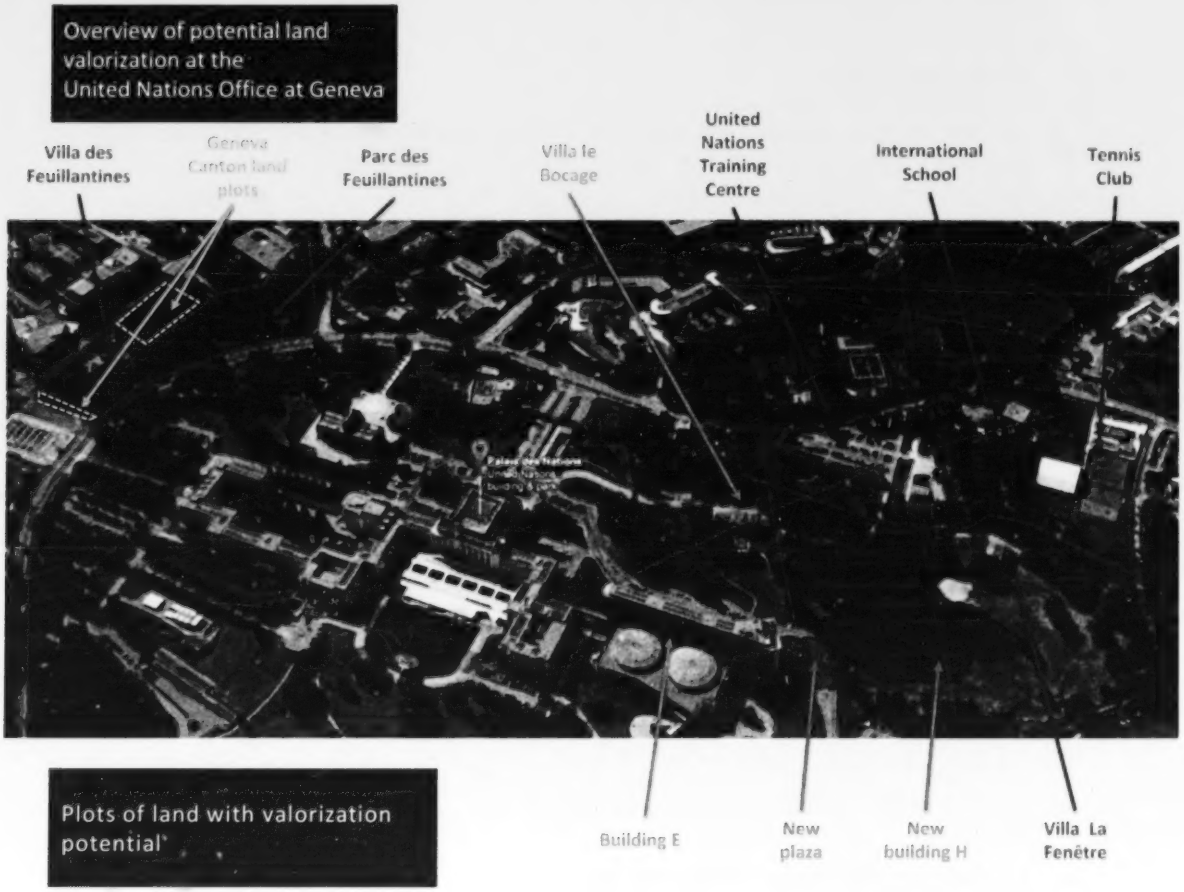
I. Update on alternative funding opportunities

1. Valorization of United Nations-owned land

109. Pursuant to resolution 70/248 A, the Secretary-General has continued to pursue opportunities to valorize land and other assets owned by the Organization in Geneva, with the goal of reducing the overall assessment on Member States for the strategic heritage plan.

110. As described in detail in the third annual progress report (A/71/403), the United Nations currently owns and/or operates 12 plots of land in Geneva, totalling approximately 531,667 square metres in area, of which the majority of this land (in terms of size/area) is utilized by the Organization and/or is not currently amenable to further valorization. The total valorization potential therefore was limited to approximately 105,798 square metres, which is approximately 20 per cent of the total United Nations land in Geneva. A pictorial overview of these plots is shown in figure 6.

Figure 6
Overview of plots of land owned and/or operated by the United Nations Office at Geneva with valorization potential



111. The potential leasehold fees and values that could be obtained will vary depending on the durations and contractual terms of the negotiated leasehold contracts, which for example could include the possibility of opting for annual lease fee payments, which typically would be calculated as a percentage of the freehold value of the plot. A further possibility is that some or all of the lease fees could be paid entirely up front to maximize the potential of applying the income directly towards the costs of the strategic heritage plan, but overall this would reduce the total amount obtained due to receiving it at a discounted rate based on today's prices, rather than as an annual amount paid over each of the future 90 years that would have been annually adjusted to account for inflation. A summary of the progress made in relation to the plots identified is provided in table 5.

Table 5
Summary overview of plots with realistic valorization potential

Plot No	*Approximate area m²*	*Description of current use and present status*	*Current lease arrangements*	*Expiry date of current lease arrangements*	*Estimated land valorization potential*
434	17,698	Area 1 — International Tennis Club (13,908m² — originally a 10-year lease from the end of 2005) — lease now expired. Currently on hold over arrangement with short-term lease under negotiation terminating in 2020 when the legal and zoning work is estimated to be finalized. Long-term lease with development rights will then be offered to allow land to be valorized at market value.	CHF 15,000 per year*	Lease expired end of 2015. Lease extension for one year to end 2017. Extension to 2020 proposed.	Very strong potential, in conjunction with part of plot 435, area 2, below
		Area 2 — International School of Geneva (3,790m² leased since 1977 and utilized as a school football pitch) — income included in plot 435 below.	CHF 75,000 per year*	End 2017, then increased to CHF 100,000 per year until end 2019.	Limited to moderate potential, depending on outcome of negotiations
435	68,623 total	Area 1 — International School of Geneva (7,782m² leased since 1969 and on which it has constructed and maintained a primary school building). Currently under negotiation on the basis of either a long-term lease at market value or for the school to relocate.			
		Area 2 — 7,315m² part of plot that is within existing Development Zone 4 (immediate construction potential)	None	Not applicable	Can be included in plot 434, area 1, above
		Area 3 — Villa La Fenêtre — 45,585m² historic villa and parkland. New building H is partially located on the plot, meaning that, potentially, only the Villa could be leased with some surrounding land; however it will need renovation in the medium term. Security stand-off distance can be resolved should reconstruction of the United Nations security perimeter be necessary. Some of the land could be added to plot 434 to maximize its valorization potential further.	Short-term lease of office space to non-Secretariat United Nations entity (144m² — $65,174)*	On an annual basis	Moderate potential
2009	11,600	United Nations Training Centre — in constant day-to-day use by the United Nations Office at Geneva and other United Nations organizations. Valorization potential could be realized through relocation and the development of a replacement training centre building (the existing Centre is near end-of-life and not within the scope of the strategic heritage plan).	Subject of separate feasibility study	Not applicable	Moderate potential
2005	17,421	Parc Feuillantines — parkland forest designated as a green zone adjacent to plot 2079.	Under negotiation with the Fondation pour la Cité de la Musique de Genève to use site as a concert hall and music school	Not applicable	Long-term 90-year lease with development rights agreed for a lump sum amount of CHF 25.6 million
2079		Villa Feuillantines — 19th century villa and garden which currently houses some United Nations security staff and the Office of the Regional Ombudsman. The United Nations Women's Guild also utilize some rooms in the attic. These users are to be relocated to the Palais.			
2080		Parc Feuillantines — small area of parkland designated as a green zone adjacent to plot 2005			

* Included within net income of $1.2 million per annum, reported under income section 2 for the biennium 2016-2017.

Progress and financing of valorization activities

112. In the third annual progress report of the Strategic Heritage Plan (A/71/403), the Secretary-General proposed the establishment of a dedicated valorization team consisting of a Project Coordinator (P-4) and an Administrative Assistant, to be supported by specialist consultancy firms in the areas of real estate advisory services, architectural design and planning services and legal services. The General Assembly, in its resolution 71/272, section XVIII, paragraph 24, recalled paragraph 45 of the Advisory Committee report (A/71/622), which recommended against the Secretary-General's request for the establishment of a dedicated valorization team to carry out such tasks, recommending instead the use of expert consultancy services for this purpose, to be funded under section 29 of the programme budget.

113. The following progress has been made on the valorization activities and the Villa Feuillantines transaction since the previous report:

(a) Completion of a series of valorization studies for the United Nations land in Geneva as a whole;

(b) Various due diligence land valuations have been obtained to ensure that the final negotiated offer, received from the Fondation pour la Cité de la Musique de Genève, was in excess of its current market value;

(c) Ongoing legal work by a local law firm in developing the detailed terms of the lease agreement in cooperation with the Office of Legal Affairs, to ensure its adherence to both the United Nations legal requirements and the relevant provisions of the Swiss law; as well as the necessary alignment with the Fondation pour la Cité de la Musique de Genève and the Canton of Geneva lease agreement for the adjacent plots of land and the required notary fees, etc.

114. To date, the sum of CHF 118,745 has currently been disbursed in relation to these works and accommodated within section 29F, Administration, Geneva, of the programme budget. With respect to the continuation of the valorization efforts and plans moving forward, it should be reiterated that the planning and implementation of the valorization strategies under way, as set out above, lie within neither the core mission nor the competency of the United Nations and that there are no precedents for such real estate transactions within the Secretariat. Securing the transaction for the Feuillantines, in particular, has been complex and challenging and has had impacts on the progress of the project owing to the involvement of key strategic heritage plan staff members.

115. In line with paragraph 45 of the report of the Advisory Committee (A/71/622), a procurement is currently in progress to select an expert consultancy firm required to undertake further valorization works. The firm would include a combination of real estate advisory, land valuation and appraisal specialists as well as providing any necessary conceptual, zoning, architectural design and planning services. Any legal services required would be conducted with the local law firm already advising on strategic heritage plan-related legal issues.

116. It is estimated that the services mentioned in paragraph 115 will be required to undertake valorization tasks over an estimated period of approximately two to three years, starting from the completion of the procurement process of the consultancy firm. The estimated costs of the necessary expert consultancy services are shown in table 6. Given the resource constraints under section 29F, it is proposed that these resource requirements be funded from the overall maximum cost of the project.

Table 6
Cost estimates for expert valorization consultancy services
(Swiss francs)

Required consultancy services	*Estimated cost*
Real estate advisory services firm	195 000
Architectural design and planning services firm	90 000
Legal services firm	200 000
Total	**485 000**

2. Donations

Donation policy

117. In section X, paragraph 25, of its resolution 70/248 A, the General Assembly approved the donation policy with respect to the strategic heritage plan. The policy provides a framework for the acceptance of voluntary contributions to the plan in line with current United Nations rules and regulations. It covers any voluntary contribution to the United Nations Office at Geneva that will assist in some way in achieving the overall objectives of the project, offsetting costs and/or otherwise enhancing the infrastructure of the Palais des Nations beyond the scope of the plan. Examples of work that could offset costs include the renovation or construction of conference rooms.

118. Other donations, while offered in the context of the strategic heritage plan, may consist of elements that are not within the scope and therefore would not offset its overall costs; for example, for works to the villas; the preservation of certain heritage elements; the creation of recreational facilities; landscaping; and certain security installations.

Other contributions from Member States

119. Germany has provided funding of a Junior Professional Officer Position within the Programme Management Team of the strategic heritage plan through the Junior Professional Officers Programme, which is centrally administered by the Capacity Development Office within the Department of Economic and Social Affairs. The candidate selected through a competitive selection process for this donor-funded post joined the project team in September 2017 and is primarily supporting the financial administration and programme management functions of the project.

Revised donations related to the objectives of the strategic heritage plan project

120. The United Nations Office at Geneva remains proactive in its efforts to solicit donors to finance the construction and renovation work at the Palais des Nations. To date, a number of donations have been secured toward the strategic heritage plan, the status of which is summarized in table 7.

Table 7
Status of secured donations related to the strategic heritage plan project

Donor	*Amount*	*Reduction to Member States assessments*	*Location*	*Status*
China	$3,000,000	1,900,000 CHF	Room C6 — former Human Rights Council cinema	Cash donation towards the creation of a multipurpose conference room. Currently under design as part of the renovation works
Monaco	20,000 EUR	22,000 CHF	Palais roof — photovoltaic solar panels	Cash donation towards enhancement of energy efficiency and sustainability objectives
Republic of Moldova	10,000 EUR	0 CHF	Parking areas solar electric car charging points	Cash donation towards sustainability objectives of the project. Items were not in the strategic heritage plan budget, although their installation contributes to the LEED Gold sustainability assessment of the new building H.

Further possible donations to the United Nations Office at Geneva

121. Since the third annual progress report, Senegal has expressed interest in making a sizeable cash donation, which is currently subject to ratification by its parliament and Turkey has expressed considerable interest in a donation relating to sustainable transportation within the Palais des Nations campus and the potential to fit out a new delegates lounge/coffee bar in building E, only the latter portion of which may possibly reduce Member States assessments. This will be assessed further once firm details have been agreed and binding commitments have been made for such donations.

3. Possible further alternative funding mechanisms

Potential utilization of rental income

122. Income generated from the rental of premises is currently recognized as miscellaneous income under income section 2 of the programme budget and returned to Member States. As outlined in the previous progress report (see A/71/403, para. 133), at present approximately $1.2 million is currently generated each year from the rental of premises to United Nations organizations and related commercial entities.

123. As a result of the strategic heritage plan project and included in the baseline planning, additional rental income can potentially be generated by the planned relocation of 700 staff of the Office of the United Nations High Commissioner for Human Rights (Office of the United Nations High Commissioner for Human Rights) to the Palais des Nations. As approximately 47 per cent of OHCHR staff positions are funded from extrabudgetary sources, it would be possible to charge rent for the space related to accommodating these approximately 329 extrabudgetary funded staff from 2024 onwards, once they occupy the new building H following the completion of the renovation of the Palais des Nations. These two income streams are highlighted in table 8.

Table 8
Current rental income of the United Nations Office at Geneva and projected future strategic heritage plan baseline OHCHR rent per annum

(Millions of United States dollars)

	2017	*2018*	*2019*	*2020*	*2021*	*2022*	*2023*	*2024 onwards*
Current rental income of the United Nations Office at Geneva	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2
Smart working extrabudgetary OHCHR staff — new building H	–	–	–	–	–	–	–	2.2
Total	**1.2**	**1.2**	**1.2**	**1.2**	**1.2**	**1.2**	**1.2**	**3.4**

124. The implementation of smart working at the United Nations Office at Geneva could potentially also bring additional rental income in terms of accommodating other extra-budgetary funded entities, for example, up to 400 staff of UNICEF, could potentially be accommodated in the new building H from 2020 onwards, subject to agreements being made in this regard. In addition, if any further staff can be accommodated as a result of smart working and are from extrabudgetary funded entities such as UNICEF, then even further rental income could potentially be realized.

125. The theoretically estimated rental income that could potentially be generated by smart working in line with the Organizations current rental charging practices is shown in table 9. It should be noted that both tables 8 and 9 are indicative and intended only to give a high-level overview as to the potential theoretical estimated revenue that may be possible from such sources over the lifetime of the strategic heritage plan project and beyond. There are several assumptions on both the number of staff from other extrabudgetary United Nations agencies, funds and programmes who would join the Palais and on the space occupancy and rental cost to be charged, made in calculating these figures which have yet to be agreed to in practice. If any of these assumptions change then the amounts shown here would also vary. It should also be noted that the Organization is currently in the process of reviewing the way that rental income is calculated and charged and that this may also change in the medium term and impact these estimates.

Table 9
Potential rental income theoretically available from smart working per annum

(Millions of United States dollars)

	2020	*2021*	*2022*	*2023*	*2024 onwards*
Potential extrabudgetary rental income	2.7	2.7	2.7	2.7	2.7
Total	**2.7**	**2.7**	**2.7**	**2.7**	**2.7**

126. It is proposed that the current annual rental income of the United Nations Office at Geneva and the projected rental income that will come from OHCHR relocating to the campus as part of the strategic heritage plan baseline, as shown in table 8, as well as the potential rental income from smart working shown in table 9, be applied to the repayments of the Swiss loan, and offset the related appropriation and assessment from Member States during the overall repayment period of the Swiss loan.

V. Other considerations

A. Security considerations

127. the United Nations Office at Geneva, in close liaison with the Department of Safety and Security, is actively engaged in developing a security master plan for the compound. The tender process for the study phase of the security master plan was completed in July 2017, with the assessment and recommendation reports anticipated to be received in January 2018. Any works deemed necessary stemming from these assessments and recommendations will be coordinated with the strategic heritage plan project to align as closely as possible to the designed elements. In line with the recommendation of the Advisory Committee on Administrative and Budgetary Questions, in paragraph 50 of its report (A/71/622), any additional scope changes and budget requests as appropriate will be presented to the General Assembly at its seventy-third session.

B. Works of art, masterpieces and other gifts

128. An exhaustive inventory of art works and gifts has been finalized in full coordination with the United Nations Library Service. It contains a comprehensive analysis, including information about the protection and conservation of the most valuable pieces and recommendations regarding the modalities of adequate exhibition in the future, following the completion of the Strategic Heritage Plan. A detailed art and heritage specifications chapter will also be included in the technical documents of the renovation works contract packages.

VI. Next steps

129. The project envisages that the following significant project design and construction activities will be carried out over the next two years:

(a) Commencement of the construction of the new permanent building H in October 2017;

(b) Completion of the detailed design, technical design and tender documentation for the renovation works to the 1930s historic Palais buildings during 2018;

(c) Initiation and progression of the procurement activities necessary to select a construction contractor for the renovation of the existing 1930s historic buildings during 2018.

VII. Recommended actions to be taken by the General Assembly

130. **The General Assembly is requested to:**

(a) **Take note of the present report and the progress made since the issuance of the third annual progress report of the Secretary-General (A/71/403 and Corr.1);**

(b) **Take note of the decision of the Secretary General to proceed fully with smart working in the new building H;**

(c) **Request the Secretary-General to report on the result of the feasibility study and the subsequent detailed design work for the**

implementation of smart working in the historic buildings of the Palais des Nations, including a funding proposal, in the next progress report at the latest;

(d) Authorize the charging of the cost of the valorization consultancy services for 2018 to the project, within the overall maximum cost approved for the project;

(e) Approve the establishment of one new temporary position of a Senior Procurement Officer (P-5) to be based at the Office of Central Support Services in Headquarters, effective 1 January 2018 for an initial period of one year, to be funded within existing project resources;

(f) Decide on the scheme and currency of appropriation and related assessment for the strategic heritage plan;

(g) Approve the establishment of a multi-year special account for the project;

(h) Should the Assembly decide upon a multi-year scheme of appropriation and assessment, authorize the strategic heritage plan to access the working capital fund established under financial regulation 4.2 and the special account, depending on the scheme of appropriation and assessment decided upon by the Assembly under subparagraph (f) above;

(i) Authorize the use of current and future rental income at the United Nations Office at Geneva to offset the Member State appropriation related to the repayments of the loan.

Annex I

Financing schemes

Table A1

Overall financing overview: upfront appropriation and loans, in Swiss francs

(Millions of Swiss francs)

	Strategic heritage plan project period (2014-2023)											*Loan repayment period (2024-2058) to be appropriated under the United Nations regular budget*			*Overall cost to Member States*
	2014	*2015*	*2016*	*2017*	*2018*	*2019*	*2020*	*2021*	*2022*	*2023*	*Total*	*2024-52*	*2053-58*	*Total*	
Member State appropriation	15.6	25.6	33.1	10.5	349.8	–	–	–	–	–	**434.6**				**434.6**
Swiss loan new construction 0.0%	–	–	–	13.6	64.2	47.3	–[a]	–	–	–	**125.1**				
Swiss loan renovation 0.0%	–	–	–	–	–	14.7	80.0	63.6	85.3	31.3	**274.9**				
Other donations[b]	–	–	–	–	–	1.9	–	–	–	–	**1.9**				
Prior year-end balance carried forward	–	12.7	11.7	3.9	1.7	–	–	–	–	–	**30.0**				
Balance at year-end to carry forward to next year[c]	(12.7)	(11.7)	(3.9)	(1.7)	–	–	–	–	–	–	**(30.0)**				
Total funding requirements	**3.0**	**26.6**	**40.8**	**26.3**	**415.7**	**63.9**	**80.0**	**63.6**	**85.3**	**31.3**	**836.5**				
Member State appropriation for repayment of loans															
Swiss loan new construction 0.0%	–	–	–	–	–	–	2.5	2.5	2.5	2.5	**10.0**	72.5	42.5	**115.1**	**125.1**
Swiss loan renovation 0.0%	–	–	–	–	–	–	–	–	–	9.2	**9.2**	265.8	–	**265.8**	**274.9**
Rental income (applied to strategic heritage plan)[d]	–	–	–	–	–	–	(1.2)	(1.2)	(1.2)	(1.2)	**(4.6)**	(33.4)	(18.4)	**(51.8)**	**(56.4)**
Subtotal appropriation loan repayment	**–**	**–**	**–**	**–**	**–**	**–**	**1.3**	**1.3**	**1.3**	**10.5**	**14.6**	**304.9**	**24.1**	**329.0**	**343.6**
Total Member State assessments	**15.6**	**25.6**	**33.1**	**10.5**	**349.8**	**-**	**1.3**	**1.3**	**1.3**	**10.5**	**449.2**	**304.9**	**24.1**	**329.0**	**778.2**

[a] The currently forecast remaining amount to be drawn from the Swiss loan for the new construction in 2020 amounts to CHF 28,096 and is thus too small to appear in the present table with amounts rounded to millions of Swiss francs.

[b] The amount refers to financial contributions from China and Monaco.

[c] The projected year-end balance for 2017 is based on the assumption that the assigned contingency for 2017 would be used in 2017. The year-end balances of previous years reflect the difference between the actual expenditures and the sum of the total financing received plus the respective previous year's carry-over of the preceding year.

[d] These annual income amounts refer to the current rental income as described in paragraph 129, should Member States decide to apply this income to (partly) offset the repayment amounts of the Swiss loan, once repayments are due, starting in 2020.

Overall financing overview: upfront appropriation and loans in United States dollars[a]

(Millions of United States dollars)

	Strategic heritage plan project period (2014-2023)											*Loan repayment period (2024-2068)to be appropriated under the United Nations regular budget*			*Overall cost to Member States*
	2014	*2015*	*2016*	*2017*	*2018*	*2019*	*2020*	*2021*	*2022*	*2023*	*Total*	*2024-52*	*2053-68*	*Total*	
Member State appropriation	17.1	26.8	33.5	10.9	364.3	–	–	–	–	–	**452.7**				**452.7**
Swiss loan new construction 0.0%	–	–	–	14.1	66.9	49.3	–[b]	–	–	–	**130.3**				
Swiss loan renovation 0.0%	–	–	–	–	–	15.3	83.3	66.3	88.9	32.6	**286.4**				
Other donations[c]	–	–	–	–	–	2.0	–	–	–	–	**2.0**				
Prior year-end balance carried forward	–	13.9	12.2	4.0	1.8	–	–	–	–	–	**31.9**				
Balance at year-end to carry forward to next year[d]	(13.9)	(12.2)	(4.0)	(1.8)	–	–	–	–	–	–	**(31.9)**				
Total funding requirements	**3.3**	**28.4**	**41.7**	**27.3**	**433.0**	**66.5**	**83.3**	**66.3**	**88.9**	**32.6**	**871.3**				
Member State appropriation for repayment of loans															
Swiss loan new construction 0.0%	–	–	–	–	–	–	2.6	2.6	2.6	2.6	**10.4**	75.6	44.3	**119.9**	**130.3**
Swiss loan renovation 0.0%	–	–	–	–	–	–	–	–	–	9.5	**9.5**	276.8	–	**276.8**	**286.4**
Rental income (applied to strategic heritage plan)[e]	–	–	–	–	–	–	(1.2)	(1.2)	(1.2)	(1.2)	**(4.8)**	(34.8)	(19.2)	**(54.0)**	**(58.8)**
Subtotal appropriation loan repayment	–	–	–	–	–	–	**1.4**	**1.4**	**1.4**	**11.0**	**15.2**	**317.6**	**25.1**	**342.7**	**357.9**
Total Member State assessments	**17.1**	**26.8**	**33.5**	**10.9**	**364.3**	–	**1.4**	**1.4**	**1.4**	**11.0**	**467.8**	**317.6**	**25.1**	**342.7**	**810.5**

[a] Figures for 2014 and 2015 have been converted from Swiss francs to the United States dollar using the rates of exchange applicable to the final appropriation for the biennium 2014-2015 (schedule 4, A/70/557), i.e., at 0.912 for 2014 and 0.956 for 2015. Figures for 2016 and thereafter have been converted from Swiss francs to the United States dollar using the exchange rates applicable to the revised appropriation for the biennium 2016-2017, i.e., at 0.989 for 2016 and 0.960 for each year from 2017 onwards.

[b] The currently forecast remaining amount to be drawn from the Swiss loan for the new construction in 2020 amounts to $29,267 and is thus too small to appear in this table with amounts rounded to millions of United States dollars.

[c] The amount refers to financial contributions from China and Monaco.

[d] The projected year-end balance for 2017 is based on the assumption that the assigned contingency for 2017 would be used in 2017. The year-end balances of previous years reflect the difference between the actual expenditures and the sum of the total financing received plus the respective previous year's carry-over of the preceding year.

[e] These annual income amounts refer to the current rental income as described in paragraph 129, should Member States decide to apply this income to (partly) offset the repayment amounts of the Swiss loan, once repayments are due, starting in 2020.

Table A2a

Overall financing overview: appropriation and loan based on annual projected expenditures, in Swiss francs

(Millions of Swiss francs)

	Strategic heritage plan project period (2014-2023)											*Loan repayment period (2024-2068) to be appropriated under the United Nations regular budget*			*Overall cost to Member States*
	2014	*2015*	*2016*	*2017*	*2018*	*2019*	*2020*	*2021*	*2022*	*2023*	*Total*	*2024-52*	*2053-68*	*Total*	
Member State appropriation	15.6	25.6	33.1	10.5	24.6	60.1	80.0	63.6	85.3	36.2	**434.6**				**434.6**
Swiss loan new construction 0.0%	–	–	–	13.6	64.2	47.3	–[a]	–	–	–	**125.1**				
Swiss loan renovation 0.0%	–	–	–	–	–	14.7	80.0	62.6	85.3	31.3	**274.9**				
Other donations[b]	–	–	–	–	–	1.9	–	–	–	–	**1.9**				
Prior year-end balance carried forward	–	12.7	11.7	3.9	1.7	–	–	–	–	–	**30.0**				
Balance at year-end to carry forward to next year	(12.7)	(11.7)	(3.9)	(1.7)	–	–	–	–	–	–	**(30.0)**				
Total funding requirements	**3.0**	**26.6**	**40.8**	**26.3**	**90.5**	**123.9**	**160.0**	**127.3**	**170.7**	**67.5**	**836.5**				
Member State appropriation for repayment of loans															
Swiss loan new construction 0.0%	–	–	–	–	–	–	2.5	2.5	2.5	2.5	**10.0**	72.5	42.5	**115.1**	**125.1**
Swiss loan renovation 0.0%	–	–	–	–	–	–	–	–	–	9.2	**9.2**	265.8	–	**265.8**	**274.9**
Rental income (applied to strategic heritage plan)[d]	–	–	–	–	–	–	(1.2)	(1.2)	(1.2)	(1.2)	**(4.6)**	(33.4)	(18.4)	**(51.8)**	**(56.4)**
Subtotal appropriation loan repayment	**–**	**–**	**–**	**–**	**–**	**–**	**1.3**	**1.3**	**1.3**	**10.5**	**14.6**	**304.9**	**24.1**	**329.0**	**343.6**
Total Member State assessments	**15.6**	**25.6**	**33.1**	**10.5**	**24.6**	**60.1**	**81.3**	**65.0**	**86.7**	**46.7**	**449.2**	**304.9**	**24.1**	**329.0**	**778.2**

[a] The currently forecast remaining amount to be drawn from the Swiss loan for the new construction in 2020 amounts to CHF 28,096 and is thus too small to appear in this table with amounts rounded to millions of Swiss francs.

[b] The amount refers to financial contributions from China and Monaco.

[c] The projected year-end balance for 2017 is based on the assumption that the assigned contingency for 2017 would be used in 2017. The year-end balances of previous years reflect the difference between the actual expenditures and the sum of the total financing received plus the respective previous year's carry-over of the preceding year.

[d] These annual income amounts refer to the current rental income as described in paragraph 129, should Member States decide to apply this income to (partly) offset the repayment amounts of the Swiss loan, once repayments are due, starting in 2020.

Overall financing overview: appropriation and loan based on annual projected expenditures, in United States dollars[a]

(Millions of United States dollars)

	Strategic heritage plan project period (2014-2023)											*Loan repayment period (2024-2068)to be appropriated under the United Nations regular budget*			*Overall cost to Member States*
	2014	*2015*	*2016*	*2017*	*2018*	*2019*	*2020*	*2021*	*2022*	*2023*	*Total*	*2024-52*	*2053-68*	*Total*	
Member State appropriation	17.1	26.8	33.5	10.9	25.6	62.6	83.3	66.3	88.9	37.7	**452.7**				**452.7**
Swiss loan new construction 0.0%	–	–	–	14.1	66.9	49.3	–[b]	–	–	–	**130.3**				
Swiss loan renovation 0.0%	–	–	–	–	–	15.3	83.3	66.3	88.9	32.6	**286.4**				
Other donations[c]	–	–	–	–	–	2.0	–	–	–	–	**2.0**				
Prior year-end balance carried forward	–	13.9	12.2	4.0	1.8	–	–	–	–	–	**31.9**				
Balance at year-end to carry forward to next year[d]	(13.9)	(12.2)	(4.0)	(1.8)	–	–	–	–	–	–	**(31.9)**				
Total funding requirements	**3.3**	**28.4**	**41.7**	**27.3**	**94.2**	**129.1**	**166.6**	**132.6**	**177.8**	**70.3**	**871.3**				
Swiss loan new construction 0.0%	–	–	–	–	–	–	2.6	2.6	2.6	2.6	**10.4**	75.6	44.3	**119.9**	**130.3**
Swiss loan renovation 0.0%	–	–	–	–	–	–	–	–	–	9.5	**9.5**	276.8	–	**276.8**	**286.4**
Rental income (applied to strategic heritage plan)[e]	–	–	–	–	–	–	(1.2)	(1.2)	(1.2)	(1.2)	**(4.8)**	(34.8)	(19.2)	**(54.0)**	**(58.8)**
Subtotal appropriation loan repayment	–	–	–	–	–	–	**1.4**	**1.4**	**1.4**	**11.0**	**15.2**	**317.6**	**25.1**	**342.7**	**357.9**
Total Member State assessments	**17.1**	**26.8**	**33.5**	**10.9**	**25.6**	**62.6**	**84.7**	**67.7**	**90.3**	**48.6**	**467.8**	**317.6**	**25.1**	**342.7**	**810.5**

[a] Figures for 2014 and 2015 have been converted from Swiss francs to the United States dollar using the rates of exchange applicable to the final appropriation for the biennium 2014-2015 (schedule 4, A/70/557), i.e., at 0.912 for 2014 and 0.956 for 2015. Figures for 2016 and thereafter have been converted from Swiss francs to the United States dollar using the exchange rates applicable to the revised appropriation for the biennium 2016-2017, i.e., at 0.989 for 2016 and 0.960 for each year from 2017 onwards.

[b] The currently forecast remaining amount to be drawn from the Swiss loan for the new construction in 2020 amounts to $29,267 and is thus too small to appear in this table with amounts rounded to millions of United States dollars.

[c] The amount refers to financial contributions from China and Monaco.

[d] The projected year-end balance for 2017 is based on the assumption that the assigned contingency for 2017 would be used in 2017. The year-end balances of previous years reflect the difference between the actual expenditures and the sum of the total financing received plus the respective previous year's carry-over of the preceding year.

[e] These annual income amounts refer to the current rental income as described in paragraph 129, should Member States decide to apply this income to (partly) offset the repayment amounts of the Swiss loan, once repayments are due, starting in 2020.

Table A2b

Overall financing overview: equal annual appropriation and loans, in Swiss francs

(Millions of Swiss francs)

	Strategic heritage plan project period (2014-2023)											*Loan repayment period (2024-2068) to be appropriated under the United Nations regular budget*			*Overall cost to Member States*
	2014	*2015*	*2016*	*2017*	*2018*	*2019*	*2020*	*2021*	*2022*	*2023*	*Total*	*2024-52*	*2053-68*	*Total*	
Member State appropriation	15.6	25.6	33.1	10.5	58.3	58.3	58.3	58.3	58.3	58.3	**434.6**				**434.6**
Swiss loan new construction 0.0%	–	–	–	13.6	64.2	47.3	[a]	–	–	–	**125.1**				
Swiss loan renovation 0.0%	–	–	–	–	–	–	84.3	69.0	112.4	9.2	**274.9**				
Other donations[b]	–	–	–	–	–	1.9	–	–	–	–	**1.9**				
Prior year-end balance carried forward	–	12.7	11.7	3.9	1.7	–	–	–	–	–	**30.0**				
Balance at year-end to carry forward to next year[c]	(12.7)	(11.7)	(3.9)	(1.7)	–	–	–	–	–	–	**(30.0)**				
Total funding requirements	**3.0**	**26.6**	**40.8**	**26.3**	**124.2**	**107.5**	**142.7**	**127.3**	**170.7**	**67.5**	**836.5**				
Member State appropriation for repayment of loans															
Swiss loan new construction 0.0%	–	–	–	–	–	–	2.5	2.5	2.5	2.5	**10.0**	72.5	42.5	**115.1**	**125.1**
Swiss loan renovation 0.0%	–	–	–	–	–	–	–	–	–	9.2	**9.2**	265.8	–	**265.8**	**274.9**
Rental income (applied to strategic heritage plan)[d]	–	–	–	–	–	–	(1.2)	(1.2)	(1.2)	(1.2)	**(4.6)**	(33.4)	(18.4)	**(51.8)**	**(56.4)**
Subtotal appropriation loan repayment	–	–	–	–	–	–	**1.3**	**1.3**	**1.3**	**10.5**	**14.6**	**304.9**	**24.1**	**329.0**	**343.6**
Total Member State assessments	**15.6**	**25.6**	**33.1**	**10.5**	**58.3**	**58.3**	**59.6**	**59.6**	**59.6**	**68.8**	**449.2**	**304.9**	**24.1**	**329.0**	**778.2**

[a] The currently forecast remaining amount to be drawn from the Swiss loan for the new construction in 2020 amounts to CHF 28,096 and is thus too small to appear in this table with amounts rounded to millions of Swiss francs.

[b] The amount refers to financial contributions from China and Monaco.

[c] The projected year-end balance for 2017 is based on the assumption that the assigned contingency for 2017 would be used in 2017. The year-end balances of previous years reflect the difference between the actual expenditures and the sum of the total financing received plus the respective previous year's carry-over.

[d] These annual income amounts refer to the current rental income as described in paragraph 129, should Member States decide to apply this income to (partly) offset the repayment amounts of the Swiss loan, once repayments are due, starting in 2020.

Overall financing overview: equal annual appropriation and loans in United States dollars[a]

(Millions of United States dollars)

	Strategic heritage plan project period (2014-2023)											Loan repayment period (2024-2068)to be appropriated under the United Nations regular budget			Overall cost to Member States
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	Total	2024-52	2053-68	Total	
Member State appropriation	17.1	26.8	33.5	10.9	60.7	60.7	60.7	60.7	60.7	60.7	**452.7**				**452.7**
Swiss loan new construction 0.0%	–	–	–	14.1	66.9	49.3	–[b]	–	–	–	**130.3**				
Swiss loan renovation 0.0%	–	–	–	–	–	–	87.9	71.9	117.1	9.6	**286.4**				
Other donations[c]	–	–	–	–	–	2.0	–	–	–	–	**2.0**				
Prior year-end balance carried forward	–	13.9	12.2	4.0	1.8	–	–	–	–	–	**31.9**				
Balance at year-end to carry forward to next year[d]	(13.9)	(12.2)	(4.0)	(1.8)	–	–	–	–	–	–	**(31.9)**				
Total funding requirements	**3.3**	**28.4**	**41.7**	**27.3**	**129.4**	**112.0**	**148.6**	**132.6**	**177.8**	**70.3**	**871.3**				
Swiss loan new construction 0.0%	–	–	–	–	–	–	2.6	2.6	2.6	2.6	10.4	75.6	44.3	119.9	130.3
Swiss loan renovation 0.0%	–	–	–	–	–	–	–	–	–	9.5	9.5	276.8	–	276.8	286.4
Rental income (applied to strategic heritage plan)[e]	–	–	–	–	–	–	(1.2)	(1.2)	(1.2)	(1.2)	(4.8)	(34.8)	(19.2)	(54.0)	(58.8)
Subtotal appropriation loan repayment	–	–	–	–	–	–	**1.4**	**1.4**	**1.4**	**11.0**	**15.2**	**317.6**	**25.1**	**342.7**	**357.9**
Total Member State assessments	**17.1**	**26.8**	**33.5**	**10.9**	**60.7**	**60.7**	**62.1**	**62.1**	**62.1**	**71.7**	**467.8**	**317.6**	**25.1**	**342.7**	**810.5**

[a] Figures for 2014 and 2015 have been converted from Swiss francs to the United States dollars using the rates of exchange applicable to the final appropriation for the biennium 2014-2015 (schedule 4, A/70/557), i.e., at 0.912 for 2014 and 0.956 for 2015. Figures for 2016 and thereafter have been converted from Swiss francs to the United States dollar using the exchange rates applicable to the revised appropriation for the biennium 2016-2017, i.e., at 0.989 for 2016 and 0.960 for each year from 2017 onwards.

[b] The currently forecast remaining amount to be drawn from the Swiss loan for the new construction in 2020 amounts to $29,267 and is thus too small to appear in this table with amounts rounded to millions of United States dollars.

[c] The amount refers to financial contributions from China and Monaco.

[d] The projected year-end balance for 2017 is based on the assumption that the assigned contingency for 2017 would be used in 2017. The year-end balances of previous years reflect the difference between the actual expenditures and the sum of the total financing received plus the respective previous year's carry-over of the preceding year.

[e] The annual income amounts refer to the current rental income as described in paragraph 129, should Member States decide to apply this income to (partly) offset the repayment amounts of the Swiss loan, once repayments are due, starting in 2020.

Annex II

Status of implementation of recommendations of the Board of Auditors

A. Status of implementation of recommendations of the Board of Auditors contained in its report on the strategic heritage plan[a]

Recommendation	*Action reported by management*
Monitor the implementation of various activities to minimize time overruns and take proactive remedial measures to meet project timelines without any dilution of the quality and scope of the project deliverables.	Implemented
Expedite such activities as the development of project manuals, including change control, ensure the inclusion of security standards at the design stage and maintain a consultation process with all stakeholders to ensure a smooth transition.	Implemented
Formulate specific risk mitigation plans for each identified risk area so that there is no impediment during the course of implementation of the project that compromises stipulated cost or timelines.	Implemented
Refine and update the preliminary budget estimates on the basis of a standard schedule and proper analysis of rates with reference to standardized pricing books and established industry guidelines set by internationally recognized standard-setting bodies with enhancement for local conditions, as necessary.	Overtaken by events — closed
Establish a more refined policy as to how inclusions and exclusions of projects funded by donations or voluntary contributions shall be given effect in the budget and cost estimates of the strategic heritage plan, particularly as the project enters the construction phase and initiate steps to see how maintenance requirements would be funded after completion of the project.	Overtaken by events — closed
Refine the terms of reference of the Advisory Board and the Steering Committee for clarity, with clear definition of their responsibilities and jurisdiction.	Implemented
Engage with both its own staff and clients to ensure that the project progresses without impediments and while causing minimum dislocation of essential services.	Implemented
Ensure adherence to the provisions of the Financial Regulations and Rules of the United Nations and the Procurement Manual to protect the interests of the Organization and minimize deviations there from. Where such deviations are deemed necessary, there must be clear and transparent justification along with approval of the competent authorities.	Implemented

[a] A/70/569.

B. Status of implementation of recommendations of the Board of Auditors contained in its report on the strategic heritage plan[a]

Recommendation	*Action reported by management*
Adjust the governance structure to preclude any risk of conflicts of interest. In particular, the role of the Director of Administration as senior user must be segregated from the duties of the project executive and from the duties of the strategic heritage plan project director.	in progress
The project owner should put in place both independent and integrated risk management, as separate functions, and revise and specify the liaison of the two different risk management functions in the strategic heritage plan programme.	In progress
The project owner should seek a framework for staff continuity within the strategic heritage plan project.	In progress
(a) The strategic heritage plan team should finalize the parts of the programme manual related to the construction phase; and (b) the project owner should approve and implement the programme manual.	In progress
For future strategic heritage plan solicitations, the United Nations Office at Geneva should review as to whether impacts of acceptance and non-acceptance of substantial contract clauses are appropriately reflected in the evaluation methodology and criteria.	Implemented
Involve local lawyers and review as to whether amendments/clarifications on the warranty regime as set forth in the contract (including the conditions and the specifications) are deemed necessary and feasible. If so, consider developing a clear and comprehensive warranty regime in the contract.	Implemented
Concerning future contract drafting, the Board recommends that the Office ensure that general contract terms and specifications are aligned more closely.	In progress
The United Nations Office at Geneva should take effective action during the procurement process for the strategic heritage plan because any further delay will jeopardize meeting the envisaged start date of the construction. Nonetheless, accuracy and rigorous leadership of actions must be ensured because weaknesses in that regard may cause further delays.	Implemented

[a] A/72/5 (Vol. I).

United Nations A/72/522

General Assembly

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Seventy-second session
Agenda item 138
Improving the financial situation of the United Nations

Financial situation of the United Nations

Report of the Secretary-General

Summary

The present report provides a review of the financial situation of the United Nations as at 30 September 2017 and provides an update to the information presented in the previous report of the Secretary-General (A/71/440/Add.1).

The report focuses primarily on four financial indicators: assessments issued, unpaid assessments, available cash resources and the Organization's outstanding payments to Member States.

The financial indicators for 2017 for peacekeeping operations and the international tribunals remain generally sound and positive. Nevertheless, regular budget cash is currently exhausted, and reserves are at low levels. Severe cash problems will be experienced in the final months of the year unless sufficient contributions are received.

The level of outstanding payments to Member States for troops and formed police units and contingent-owned equipment currently reflects a significant decrease. The financial health of the Organization continues to depend on Member States meeting their financial obligations in full and on time.

17-17833 (E) 121017

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I. Introduction

1. The present report provides an update on the financial situation of the United Nations presented to the General Assembly by the Secretary-General in his previous report (A/71/440/Add.1). It mainly reviews the financial indicators as at 30 September 2017 and provides a comparison with the situation as at 30 September 2016 (see A/71/440).

2. In the present report, the financial situation of the United Nations is considered on the basis of four main financial indicators that have been used to measure the strength of the Organization: assessments issued, unpaid assessed contributions, available cash resources and the Organization's outstanding payments to Member States.

II. Review of the financial situation as at 30 September 2017

3. The financial situation as at 30 September 2017 reflects an increase in the level of assessments issued for the regular budget and the international tribunals, and a decrease for peacekeeping operations. Unpaid assessments were lower for the regular budget and the tribunals and higher for peacekeeping operations than they had been one year earlier. The level of outstanding payments to Member States reflected a decrease compared with the level of one year earlier. Cash balances were positive for peacekeeping operations and the tribunals. Nevertheless, the regular budget cash position during the last quarter of the year continues to be a major concern. The final outcome will depend largely on incoming contributions during the remaining part of the year.

A. Regular budget

4. In 2017, assessments for the regular budget were issued at a level of $2.58 billion, $29 million higher than the level in 2016. Payments received by 30 September 2017 were $1.89 billion, just $1 million below the amount received by 30 September 2016. Unpaid assessments as at 30 September 2017 totalled $1.1 billion, which is $94 million less than the level outstanding a year earlier.

5. As at 30 September 2017, 134 Member States had paid their regular budget assessments in full, which is eight more than on 30 September 2016. The Secretary-General wishes to thank the Member States that have honoured their obligations for the regular budget in full and urges the remaining Member States to follow their example.

6. Cash resources available for the regular budget under the General Fund include the Working Capital Fund, authorized at $150 million by the General Assembly, and the Special Account, currently at a level of $201 million. As at 30 September 2017, the regular budget cash shortfall was $142 million, which was covered by the Working Capital Fund. Taking into account the reserves, total cash of $209 million was available under the General Fund as at the same date.

7. In 2017, the regular budget has so far experienced cash shortfalls in August and September 2017. More severe cash problems will arise in the final months of the year unless sufficient contributions are received. The cash position will continue to be monitored closely and the final position at the end of 2017 will depend largely on the payments made by Member States in the coming months.

8. The overall level of available reserves (both the Working Capital Fund and the Special Account) amounts to $351 million, which is sufficient to cover only six

weeks of regular budget operation. With only $209 million remaining as at 30 September 2017, these reserves are already at low levels. Sound financial management necessitates adequate cash reserves so that the United Nations can meet its financial obligations in a timely fashion. The level of the Working Capital Fund will be addressed as part of the Secretary-General's reform proposals.

B. Peacekeeping operations

9. The changing demand for peacekeeping activities makes it difficult to predict financial requirements. In addition, peacekeeping has a different financial period, running from 1 July to 30 June rather than by calendar year; assessments are issued separately for each operation; and, since assessment letters may be issued only through the mandate period approved by the Security Council for each mission, they are issued for different periods throughout the year.

10. As at 30 September 2017, a total of $6.1 billion had been assessed for peacekeeping operations in 2017. Contributions received so far in 2017 amount to approximately $5.4 billion. The unpaid amount for peacekeeping operations as at 30 September 2017 was $2.5 billion.

11. Owing to the unpredictable amount and timing of peacekeeping assessments throughout the year, it can be difficult for Member States to keep fully current with them. The Secretary-General therefore wishes to express special gratitude to the 32 Member States that by 30 September 2017 had paid all peacekeeping assessments that were then due and payable.

12. The amount of cash available for peacekeeping operations as at 30 September 2017 was approximately $3.4 billion, with $3.1 billion in the accounts of active missions, $174 million in the accounts of closed missions and $138 million in the Peacekeeping Reserve Fund.

13. Outstanding payments to Member States for troops and equipment amounted to $808 million at the end of 2016, and have since significantly decreased to an amount of $491 million at the end of September 2017. As at that date, only $1 million was owed to Member States for troops and formed police units. With regard to claims for contingent-owned equipment, $404 million was owed for active missions and $86 million for closed missions.

14. The Secretary-General is committed to meeting obligations to Member States providing troops and equipment as expeditiously as possible. In that regard, the peacekeeping cash flow situation is being monitored closely, with a view to maximizing quarterly payments to Member States on the basis of cash and data availability. To do so, however, the Organization depends on Member States honouring their financial obligations in full and on time, and also on the expeditious finalization of memorandums of understanding with troop contributors for the provision of equipment.

C. International tribunals

15. The overall financial position of the tribunals and the International Residual Mechanism for Criminal Tribunals remains generally sound in 2017. With the closure of the International Criminal Tribunal for Rwanda, assessments were issued only for the International Tribunal for the Former Yugoslavia and for the International Residual Mechanism in 2017. As at 30 September 2017, unpaid assessments for the tribunals amounted to $49 million, which was lower, by $6 million, than the amount outstanding on 30 September 2016.

16. As at 30 September 2017, 106 Member States had paid their assessed contributions to both tribunals and the International Residual Mechanism in full, which is five more than the number in 2016. The Secretary-General wishes to express his appreciation to the 106 Member States that have met their obligations in full, and urges other Member States to pay their contributions to the international tribunals in full and on time.

17. The month-by-month position of cash balances for the tribunals was positive in 2015, in 2016 and, so far, in 2017, and is expected to remain solid through the end of the year. The final position will depend on incoming payments from Member States during the final months of 2017.

III. Conclusions

18. The Secretary-General wishes to pay special tribute to the following 33 Member States that had paid their assessments that were due and payable in full at the time of reporting, namely: Angola, Armenia, Australia, Bhutan, Canada, China, Côte d'Ivoire, Cuba, Cyprus, Democratic Republic of the Congo, Denmark, Finland, Germany, Hungary, Ireland, Japan, Kuwait, Kyrgyzstan, Latvia, Liechtenstein, Malawi, Monaco, Netherlands, New Zealand, Norway, Qatar, Saint Kitts and Nevis, Senegal, Singapore, Slovakia, Slovenia, Sweden and Switzerland.

19. The Secretariat continues to improve its processes. In June this year, Member States were provided a new option of receiving assessment letters by email. Eighty-seven Member States have so far taken advantage of this option; the remaining Member States are encouraged to do so. This makes for a faster and more streamlined process.

20. The financial health of the Organization continues to depend on Member States meeting their financial obligations in full and on time. A sound cash flow is essential for the Organization to deliver on its mandates.

United Nations A/72/523

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Seventy-second session
Agenda item 72 (b)
Promotion and protection of human rights: human rights questions, including alternative approaches for improving the effective enjoyment of human rights and fundamental freedoms

Promotion of truth, justice, reparation and guarantees of non-recurrence*

Note by the Secretary-General

The Secretary-General has the honour to transmit to the members of the General Assembly the report of the Special Rapporteur on the promotion of truth, justice, reparation and guarantees of non-recurrence, Pablo de Greiff, in accordance with Human Rights Council resolution 27/3.

* The present report was submitted after the deadline in order to reflect the most recent developments.

17-17996 (E) 201017

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Report of the Special Rapporteur on the promotion of truth, justice, reparation and guarantees of non-recurrence

Summary

In the light of the ongoing reform initiatives of the United Nations to place prevention at the centre of the Organization's work, the Special Rapporteur on the promotion of truth, justice, reparation and guarantees of non-recurrence proposes the development of a substantive, comprehensive framework approach to prevention, some elements of which he outlines in the present report.

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I. Introduction

1. In 2015, as part of a series of reports on each of the pillars of his mandate, the Special Rapporteur presented to the Human Rights Council and the General Assembly two reports on the (not so frequently employed) notion of guarantees of non-recurrence (A/HRC/30/42 and A/70/438). In those reports, he argued that the best way to understand the notion of guarantees of non-recurrence was in terms of prevention, and attempted to shed light on some of the conceptual difficulties that characterized the notion, as well as to give some structure to the discussions about such guarantees in practice.

2. In the meantime, interest in prevention has picked up strongly, not least as a result of the emphasis the new Secretary-General has placed on it. In his first briefing to the Security Council, the Secretary-General observed: "We spend far more time and resources responding to crises rather than preventing them. People are paying too high a price ... We need a whole new approach", and proceeded to state that for him: "Prevention is not merely a priority, but the priority."[1]

3. In that same briefing, the Secretary-General highlighted the link between prevention, human rights and sustainable peace: "Upholding human rights is a crucial element of prevention" and "Human rights are intrinsically linked to sustaining peace." This interest in the links between prevention, human rights and sustainable peace was not a one-off event. In fact, the Secretary-General had already introduced the topic in his first statement to the Human Rights Council, where he argued that the Universal Declaration of Human Rights — and the treaties that derived from it — were "perhaps the best prevention tool we have", noting that the "rights set out in it identify many of the root causes of conflict, but equally they provide real world solutions through real change on the ground".[2]

4. The present report is meant as a contribution to the ongoing discussions about prevention. In it, the Special Rapporteur argues in favour of a framework approach to prevention from the perspective of a mandate concerned with the promotion of human rights in situations in which such rights have been massively violated. A framework approach will contribute to breaking existing silos of knowledge and expertise, which hamper effective preventive work, and will help to widen the scope and to "upstream" prevention (something as frequently praised as it is rarely practised) in a systematic and orderly way. In this sense, the approach is a planning tool that also has the potential to shed light on important links between prevention, human rights and sustaining peace.

II. Prevention in the United Nations system

5. The emphatic focus of the Secretary-General on prevention, in addition to his efforts to highlight its links with human rights, has been broadly welcomed. Of course, an interest in prevention — broadly defined — is not new to the United

[1] See remarks of the Secretary-General to the Security Council open debate on "Maintenance of international peace and security: conflict prevention and sustaining peace", 10 January 2017. Available from www.un.org/sg/en/content/sg/statement/2017-01-10/secretary-generals-remarks-security-council-open-debate-maintenance.

[2] See remarks of the Secretary-General to the Human Rights Council, 27 February 2017. Available from www.un.org/sg/en/content/sg/speeches/2017-02-27/secretary-generals-human-rights-council-remarks.

Nations system. This is not the place for a full history of the system's use of the term, but the account below captures some of the key points in that trajectory.[3]

6. Within the United Nations system, most observers hearken back to Secretary-General Boutros Boutros-Ghali's 1992 "An agenda for peace: preventive diplomacy, peacemaking and peacekeeping" (A/47/277-S/24111) as the document that started the trend. Recognizing the limits of militarized peacekeeping and with the aim of expanding the toolbox of preventive mechanisms, that document broke new ground in raising the profile of preventive diplomacy and articulating a new space for post-conflict peacebuilding.[4]

7. In his 1999 report on the work of the Organization, Secretary-General Kofi Annan advocated strongly for United Nations Member States, the Secretariat of the United Nations and United Nations entities to take early prevention seriously and to address underlying causes, pointing out that societies afflicted by war typically also suffered from inequality among ethnic, religious or other social groups, the deliberate mobilization of grievance, and struggles over control of economic resources, all of which needed to be addressed over the long term. The Secretary-General pressed for the building of a substantive culture of prevention within the United Nations and advocated for removing "the institutional barriers to building cross-sector cooperation that is a prerequisite of successful prevention" (see A/54/1, introduction). Despite subsequent efforts to achieve the desired coordination, significant work remains to be done.

8. The final major influence on conflict prevention during this early period was Secretary-General Annan's first report on the prevention of armed conflict in 2001. In that report, he reiterated that prevention was the business of the whole United Nations system, arguing that the main responsibility for prevention rested with Member States and their civil society, with outsiders, including United Nations entities, as facilitators and not drivers. Significantly, he argued that prevention and development went hand in hand (A/55/985-S/2001/574 and A/55/985/Corr.1-S/2001/574/Corr.1).

9. Work on prevention, particularly the prevention of conflict, was taking place not merely at the conceptual level, but also at the operational level.[5] Examples included the United Nations Interagency Framework Team for Preventive Action, which became operational in the early 2000s when full-time staff were assigned to it (although the Framework itself had existed since 1995). Started originally as an informal mechanism for the Department of Political Affairs, the Department of Peacekeeping Operations and the Office for the Coordination of Humanitarian

[3] For a detailed description of existing prevention structures, see Vincenç Fisas, *La Gestión de las Crisis Sociopolíticas* (Barcelona, Institut Català Internacional per la Pau, 2017).

[4] The genocidal atrocities in Rwanda and Bosnia in the early 1990s galvanized the international community's search for more effective prevention tools. The Carnegie Commission's *Preventing Deadly Conflict* report broadened the landscape of potential preventive interventions, introducing the influential distinction between "operational prevention" (measures applicable to the immediate crisis phase) and "structural prevention" (measures targeting root causes and aimed at ensuring that crises do not arise in the first place or, if they do, that they do not recur). That report has loomed large in discussions about prevention in the United Nations, but not always sufficiently in practice. (See Carnegie Commission on Preventing Deadly Conflict, *Preventing Deadly Conflict: Final Report* (New York, Carnegie Corporation of New York, 1997)).

[5] "Prevention" has always had an ambiguous meaning both within and outside the United Nations system. While most of the work of the United Nations on prevention has focused mainly on the prevention of conflict (itself a porous concept), the term prevention is also used to refer to threats to international peace and security, violent conflict, violent extremism, violence generally, human rights violations, humanitarian crises, disaster risk and public health. (See Center on International Cooperation, "An integrated approach to prevention: the links between prevention — the 2030 agenda, and sustaining peace" (forthcoming)).

Affairs to coordinate on early warning, the Framework Team evolved into the first formal United Nations mechanism to "promote interagency collaboration on early preventive action".[6] The Framework Team came to include 22 United Nations departments and agencies whose working level representatives met regularly to undertake coordinated early warning on lower level, below-the-radar conflicts in order to prevent or mitigate worsening violence.[7]

10. Notwithstanding the contributions of the Framework Team, eventually it became clear that prevention efforts were still reactive, often ineffective, even incoherent, neither holistic nor strategic in preventing violence or avoiding recurrence, and lacked any significant links to human rights. The impetus to develop new institutional mechanisms and competences for prevention came from the independent Internal Review Panel on United Nations Action in Sri Lanka, which described a "systemic failure" of United Nations action in that country. This led to the establishment of the Human Rights Up Front initiative,[8] which created new United Nations institutional structures that put renewed attention on early warning (particularly of human rights abuses and violations) and improved the analytical capacity of the United Nations and its ability to respond quickly and coherently. The Human Rights Up Front initiative engaged principal-level actors in high-level analysis, ensuring greater coherence in strategy development and response. Senior management held periodic scanning sessions on regional and country situations. The implementation of the initiative has bumped up against challenges in extending its application from headquarters to the field and in shifting from its initial orientation of crisis-driven response to longer-term prevention.

11. As implementation of the Human Rights Up Front initiative commenced in 2014 and 2015, several high-level panels and processes were created to review the evolution and progress of major United Nations practices:

- The High-Level Independent Panel on Peace Operations, to undertake a periodic review of both peacekeeping operations and special political
- The Advisory Group of Experts on the Review of the Peacebuilding Architecture, which produced a report on 10 years of work since the establishment of the Peacebuilding Commission and the Peacebuilding Support Office
- The high-level review of the implementation of Security Council resolution 1325 (2000), to evaluate 15 years of implementation of that resolution.[9]

12. The June 2015 report of the High-Level Independent Panel on Peace Operations (A/70/95-S/2015/446) and the September 2015 report of the Secretary-General on the implementation of recommendations (A/70/357-S/2015/682) proposed a tripartite

[6] United Nations inter-agency framework team for preventive action, informational flyer (2012). Available from www.un.org/en/land-natural-resources-conflict/pdfs/FRAMEWORK_TEAM_FLYER-2July12.pdf.

[7] At its height in 2014, the Framework Team had a budget of about $2 million and five staff members working on early warning, supporting the deployment of peace and development advisers, and building the knowledge and skills of the United Nations with regard to prevention, with projects on conflict sensitivity, natural resources and conflict, human rights and conflict transformation. Although not insignificant vis-à-vis the organization's overall budget and staffing and, moreover, relative to needs, the Framework Team's budget and staffing were, to put it mildly, modest.

[8] See United Nations, "Rights up front: a plan of action to strengthen the United Nations' role in protecting people in crises — follow-up to the report of the Secretary-General's Internal Review Panel on United Nations Action in Sri Lanka" (9 July 2013).

[9] Radhika Coomaraswamy, *Preventing Conflict, Transforming Justice, Securing the Peace: A Global Study on the Implementation of United Nations Security Council Resolution 1325* (United Nations Entity for Gender Equality and the Empowerment of Women, 2015).

action plan, the first pillar of which was "renewed focus" and a "return to the fore" of prevention. In the report, the Secretary-General recommended "strengthening prevention and mediation efforts" through measures such as adding envoys, standby mediation experts and capacity for good offices, as a reflection of the "primacy of politics" in peace operations. To strengthen preventive capacities of United Nations country teams, the Panel recommended reinforcing the capacities of resident coordinators and the deployment of specialized staff, including peace and development advisers, human rights advisers and staff with mediation expertise.

13. In its strongest contribution to prevention, the report broke new ground, with the Panel arguing therein that militarized approaches to conflict prevention and protection of civilians, which were the usual default response to the risk of conflict, provided "only short-term and in some cases fleeting or illusory success while further exacerbating some of the grievances underlying the conflict" (A/70/95-S/2017/446, para. 14). The Panel went on to advocate that unarmed strategies "must be at the forefront of United Nations efforts to protect civilians" and recommended that United Nations "missions work more closely with local communities and national and international non-governmental organizations (NGOs) in building a protective environment." (ibid., paras. 86 and 105 (a)).

14. In its report, the Advisory Group of Experts on the Review of the Peacebuilding Architecture insisted on the importance of "conflict prevention (on which, in particular, the United Nations system needs to place much greater emphasis)" (A/69/968-S/2015/490, summary). Nevertheless, because the focus of the report lies elsewhere (peacebuilding), the Advisory Group never defined or articulated what aspects of prevention it meant or gave suggestions on how to emphasize, apply, integrate, mainstream, break down silos relating to, take unified action on or ultimately achieve conflict prevention in any concrete way.

15. Notwithstanding this, the Advisory Group, in its report, usefully reiterated that peacebuilding was not merely a post-conflict activity and defined it as a much broader concept that ran through "the complete cycle of United Nations engagement, from preventive action through deployment and subsequent drawdown of peace operations and beyond to post-conflict recovery and reconstruction" (ibid., para. 186). This idea was taken up in the hard-fought "sustaining peace resolutions" adopted by the General Assembly and the Security Council (resolutions 70/262 and 2282 (2016), respectively), in which both bodies emphasized the "importance of a comprehensive approach to sustaining peace, particularly through the prevention of conflict and addressing its root causes", reaffirmed "the primary responsibility of national Governments" and stressed "that civil society can play an important role in advancing efforts to sustain peace" (see preambular paragraphs of both resolutions).[10]

16. The 400+-page global study on the implementation of resolution 1325 (2000), entitled *Preventing Conflict, Transforming Justice, Securing the Peace*, documents how the empowerment of women contributes to strengthening peace operations, attaining peace agreements, improving humanitarian assistance, countering violent extremism and achieving sustainable peace.

17. Notably, the report emphasizes that an overreliance on an outdated militarized view of conflict and conflict prevention (resorting to peacekeeping once crises erupt) or a narrow view providing late-stage mediation and good offices, is but a poor substitute for non-militarized, long-term, much earlier governance and development approaches.

[10] The Special Rapporteur commends the fact that, in the resolutions, the General Assembly and the Security Council highlighted the importance of a comprehensive approach to transitional justice as part of the work to sustain peace. Nevertheless, the wording suggests an approach that focuses heavily on initiatives at the institutional level, mainly security sector reform.

18. Within the human rights pillar, the crucial reports on prevention are those of the Office on Genocide Prevention and the Responsibility to Protect. Most importantly, perhaps, is the Framework of Analysis for Atrocity Crimes, a risk assessment tool (A/70/741-S/2016/71, annex). The Framework provides a useful section on the legal basis for protection and an expansive understanding of how prevention can be achieved. The Framework specifically mentions strengthening the rule of law, institution-building, eradicating corruption, managing diversity and inclusion, strengthening civil society and achieving a "pluralistic media".

III. Towards a framework approach to prevention

19. United Nations documents on prevention are sometimes naturally more reflective of the institution's own understanding of what it has to do internally than of what needs to be done in the world. With few exceptions, such documents concentrate more on process than on substance. The organization's vast experience in the practice of prevention should enable it to produce comprehensive approaches. Indeed, if there is a common thread to all these documents, it is that prevention work needs to be broadened in focus and "upstreamed". There is no document, however, that illustrates in terms of content what this would mean, and especially none that puts flesh to the bones of the links between prevention and human rights on which there seems to be general consensus.

20. More than a dearth of knowledge and expertise, what hampers better results in the area of prevention is, first, the relative weakness of commitments and the consequent paucity of investments in this area and, second, the great disaggregation of knowledge and resources. (This is true both within and outside the United Nations.) While this disaggregation has resulted partly from the inevitable (and largely positive) processes of specialization — for there are, after all, technical dimensions to the aforementioned initiatives — as the discussions within the United Nations reviewed above reveal, there are also solid grounds for the aspiration to coordinate more effectively and to plan more comprehensively and strategically.

21. The fragmentation of knowledge in this area is revealed clearly by the fact that most of the truly effective preventive measures, such as general processes of institutionalization (including processes of State formation[11]), in particular processes of institutional reform (including initiatives to establish judicial independence or civilian oversight over security forces) and, especially, consequential policy decisions (such as changes in policing strategies) are rarely categorized as preventive tools. This is even more true in other fields such as economics, which arguably have an enormous impact on the risk of conflict, violence and human rights violations, but which are not always thought of in this light.[12]

22. As an illustration of the preventive potential of economic measures, the Special Rapporteur has pointed out in previous reports how the permanence of an abusive regime in power undercuts preventive aims. Rotations in power, however, become unlikely in countries where there is no well-established labour market, where government jobs are virtually the only regularly paid positions and where the alternative to being in Government is being in poverty (A/HRC/30/42, paras. 33-36).

[11] See Stephen Pinker, "Rates of violence in State and non-State societies", in *The Better Angels of Our Nature: Why Violence has Declined* (New York, Penguin Books, 2011).

[12] See United Nations and World Bank, *Pathways for Peace: Inclusive Approaches to Preventing Violent Conflict* (Washington, D.C., World Bank, 2017), which places great emphasis on the conflict-generative potential of "horizontal inequalities", showing how marginalizing whole groups from access to economic opportunities correlates strongly with conflict and violence, and can be not only a violation of various rights in itself but also catalyse other forms of rights violations.

23. Discussions about prevention have been affected by various forms of reductionism, which this report would like to contribute to overcoming. The first one is the reduction (in practice, if not in theory) of prevention to a form of crisis response, as suggested by the (in some ways unobjectionable) emphasis on early warning. While a review of United Nations documents on prevention reveals the aspiration to expand on and upstream prevention work, operationally speaking, early warning and the still-challenging rapid response, continue to loom large in prevention practice. While there are good reasons to make sure that countries on the brink of violent conflict do not fall off that particular cliff, it should be acknowledged that the presence of anything that is capable of triggering an early warning system indicates that prevention work has started too late.

24. The difficulties generated by the disaggregation of knowledge and resources and by an overemphasis on crisis prevention (at the expense of more upstream work) can be mitigated by the adoption of a framework approach to prevention, the articulation of which is the main strategic interest underlying the present report.

25. The remainder of the present report is an effort to contribute to such an endeavour. It is an extended argument in favour of a comprehensive framework approach, written from the perspective of a mandate concerned with the redress and prevention of systemic rights violations.[13] The framework presented here is therefore at best a partial sketch of what a truly comprehensive framework would look like. For instance, while the present report reiterates the imperative need to address the many developmental deficits that often characterize countries where massive violations have taken place, the framework would have to be given the necessary content regarding issues that are essential for that purpose, including fiscal policy, labour law and anti-corruption legislation. Furthermore, even regarding the more justice- and rights-related areas which are its immediate concern, the framework concentrates on actions to be undertaken at the national level.[14] It is therefore silent about, for example, what could be done at the regional and the multilateral levels to increase the effectiveness of preventive work, a question which is deeply consequential.

26. A final comment about the nature of this exercise: A framework approach is not the same thing as a policy blueprint; indeed, there are reasons to doubt there is such a thing as a general prevention policy. Context matters, and it matters in a variety of ways; opportunities, just as much as needs, are not uniform across all contexts. Furthermore, this is true both synchronically and diachronically. Needs and opportunities are dynamic, so any given framework will contain elements that some countries will not need to address at a given point in time because the issue to which they relate is not immediately relevant, along with elements that some countries cannot address at the present time because they lack, for instance, the institutional capacities or resources. It goes without saying that, even regarding issues that a given country would consider both relevant and feasible for its situation, any truly comprehensive framework will also include a larger number of issues than it can address simultaneously, even assuming great institutional

[13] Violations which, the evidence suggests, fuel conflict. See, for example, Kjersti Skarstad and Håvard Strand, "Do human rights violations increase the risk of civil war?", *International Area Studies Review*, vol. 19, No. 2 (2016).

[14] Even regarding national-level initiatives, the framework is not exhaustive. Thus, although the present report makes reference to questions about the division of powers, this version of the framework does not address preventive work that could be done with parliaments or with political parties, the demise of which is arguably leading to a crisis in representative democracy which poses great risks of conflict and of violations. It also does not refer in detail to the preventive potential of independent human rights institutions. These omissions do not reflect judgments of value, but rather space constraints.

capacities.[15] Hence, a framework is a useful tool for making perspicuous the range of issues that effective prevention would call for, and even some of the relevant interconnections among them, but of course it is not something akin to a formula for exempting anyone from the need to exercise judgment.

27. Ultimately, in addition to filling a framework with content, i.e. with issues that are relevant for achieving effective prevention over time, work on this topic will require the development of criteria for relevance, feasibility and urgency. Models of prevention that take their lead from work in public health go part of the way towards doing this. For instance, the Center on International Cooperation has usefully argued that prevention work should distinguish between the following: universal prevention strategies, namely those initiatives which any country would find useful to implement and that bring "broad spectrum" benefits for peace, justice and inclusion at relatively low costs and that will usually have other social, environmental or economic benefits; "at risk" prevention strategies, or more specific initiatives that target groups, communities and countries that face elevated risks of conflict or that are experiencing heightened levels of violence and exclusion, or have low levels of resilience; and "in crisis" strategies, highly targeted interventions meant to prevent further deterioration, contribute to stabilization and build a foundation for recovery.[16]

28. Despite all the limitations of any given framework, the Special Rapporteur is of the view that for planning purposes it is better to have such a tool than to carry on without one. A framework approach to prevention presents a structure of interrelated elements and would ideally help guide decision-making towards comprehensiveness, but in an ordered and methodical way. Furthermore, having a comprehensive framework provides incentives to break down some of the silos that have constrained prevention work. We cannot continue talking abstractly about links between prevention, human rights and sustainable peace without having some concrete notion of what this involves.

29. The moment, furthermore, is auspicious. The (abstract) consensus on the importance of widening and upstreaming prevention has never been as solid. In addition to the reports referred to in the preceding section,[17] *Pathways for Peace*, which is the United Nations-World Bank flagship study on prevention, and, importantly, the comprehensive framework provided by the 2030 Agenda[18] provide the grounds on which a truly comprehensive framework for prevention can be developed. The present report is an effort to provide some content to such a framework, obviously from the perspective of this mandate. Needless to say, the framework will need to be augmented from other perspectives.

[15] Another dynamic element that should be kept in mind is that most of the issues that are relevant for prevention are of the sort that are not fully addressed once and for all: constitutional amendment procedures represent an acknowledgment of this point. Similarly, the requirements of tolerance in circumstances of great migration are very different from the requirements in circumstances without such migration.

[16] Center on International Cooperation, "An integrated approach to prevention" (see footnote 5).

[17] And others that could not be reviewed, including the 2005 World Summit Outcome (General Assembly resolution 60/1), and General Assembly resolutions, including resolution 57/337, in which the Assembly embraced a broad definition of prevention and included provisions on accountability, good governance, human rights, promotion of development, disarmament, education and gender equality, which it reiterated in its resolution 68/303.

[18] General Assembly resolution 70/1.

IV. Elements of a Framework Approach to Prevention

A. Interventions in the sphere of official State institutions

30. In previous reports, the Special Rapporteur has emphasized the preventive potential of the initiatives set out below, which range from the easily actionable to the more ambitious.

1. Civilian institutions

(a) Legal identity

31. At the most basic level, and as a background condition for effective prevention initiatives, transitional processes have confirmed the importance of establishing effective means for securing legal identity. Proof of legal identity becomes scarce during times of conflict through migration and displacement, the weakening of State services and the deliberate destruction of registries. Without proof of legal identity, the exercise of some rights and access to some State services become impossible. Legal identity is thus a gateway for the realization of other rights. Legal identity is important for having rights be respected, and as a ground for raising claims and obtaining redress. An effective and reliable national registry system, i.e. one that secures the confidentiality of personal data and that is sensitive to cultural differences, can also provide statistical data that will be useful for planning, implementing and monitoring service provision, including guaranteeing various rights and preventing the violation of such rights.

(b) Ratification and incorporation of international treaties

32. A very direct way of giving content to a prevention policy is to ratify international human rights instruments. It is well established that conflict correlates robustly with the violation of human rights. Moreover, there are good reasons to think that a negative feedback loop between human rights violations and conflict is easily established, whereby violations fuel conflict, which fuels more violations, and so on.[19]

33. Needless to say, no law is self-executing. Ratification, then, is nothing more than a signalling device, and as such it can be used in order to window dress a worsening human rights performance. Nevertheless, ratification, among other things, provides the ground on which advocacy can rest, and this is broadly seen as an important engine of change.[20]

34. In most countries, ratification will be meaningless without a strategy of incorporation, so the latter should also be an element of a prevention policy. Incorporating international criminal law into domestic systems also helps address issues of retroactivity and the principle of legality.

(c) Review of emergency and anti-terrorism legislation

35. Still in the domain of initiatives that involve mostly legislative reform rather than the creation or transformation of complex institutions, other legal reforms that may be a part of a broad prevention framework should include the review of emergency, anti-terrorism and other security-related legislation to verify that is it

[19] See, for example, James Fearon, "Governance and civil war onset", working paper (Washington, D.C., World Bank, 2010), and Skarstad and Strand, "Do human rights violations increase the risk of civil war" (see footnote 13).

[20] *The Persistent Power of Human Rights: From Commitment to Compliance*, Thomas Risse, Stephen Ropp and Kathryn Sikkink, eds. (Cambridge University Press, 2013).

fully compliant with human rights standards. Authoritarian regimes, regimes in conflict and, increasingly, regimes involved in real or imagined "wars on terrorism" adopt legislation that often bears a tenuous relationship to the risks that supposedly justify it. While of course countries have not only the right but also the obligation to guarantee the security of those within their territory, they are obliged to do so within the boundaries of legality. In many countries, anti-terrorism legislation becomes an incentive for the violation of various rights. Reviewing such legislation is a not particularly onerous prevention measure.

(d) Judicial reforms

36. In their analysis of the factors that contribute to massive human rights violations, a good number of truth commissions have paid extensive attention to the judiciary and, in their recommendations concerning not only redress but also non-recurrence, they have included various aspects of judicial reform, the three most important of which are: (a) screening or vetting judicial personnel; (b) strengthening judicial independence (both the independence of judges and the independence of the judiciary as an institution); and (c) increasing the competence of the judiciary in areas relevant to preventive purposes, including familiarity with international human rights law and humanitarian law, and strategies to deal with systemic crimes.

(e) Constitutional reforms

37. At a higher level of complexity (not least in requiring increasing institutional coordination), transitional processes have also included different forms of constitutional reforms which can be considered part of a general preventive framework. The simplest types of such reform are the removal of discriminatory provisions and the introduction of mechanisms of inclusion.

38. Some countries with a history of massive human rights abuses, as part of non-recurrence efforts, have adopted a bill of rights. Although the effectiveness of such a measure will always depend on the strength of the courts that interpret these texts — an illustration of the way in which preventive initiatives can relate to one another — the articulation of a list of fundamental rights that a State commits itself to guaranteeing, respecting and promoting has a preventive potential that can be considerable. In countries with a history of ethnic or religious divides, where minorities have suffered systematic discrimination and have ended up carrying the burdens of "horizontal inequalities", an explicit bill of rights can act as a disincentive to marginalization and in this way remove a conflict factor.

39. The preventive potential of this form of constitutional reform likely depends not only on the final outcome, i.e. a text, but also on the process of articulating the bill of rights. The more inclusive and deliberative the process is, the more reasonable it is to assume that the bill of rights will have some purchase with all relevant stakeholders.

40. Some countries undergoing transitions have also reformed their constitutions so as to strengthen the separation of powers, in the belief that a lack of constraints on the executive contributed to past violations.

(f) Establishment of a constitutional court

41. Following the lead of Germany after the Second World War, most countries that transitioned from authoritarian to democratic regimes in "the third wave" of democratization introduced a constitutional court. In addition to emphasizing the importance of fundamental rights (by distinguishing the adjudication of matters involving such rights from the adjudication of "routine" matters of law carried out

by ordinary courts), the establishment of a constitutional court provides a neat solution in countries where massive violations have occurred or where judges cannot be trusted but cannot be fired either. Creating a new court that is concerned precisely with fundamental rights, and populating it with a different cohort of people, solves many problems.

42. Obviously, the most ambitious of the constitutional projects that can be considered a part of a prevention policy is the adoption of a new constitution. It may be that a history of conflict has provided evidence that the existing constitutional dispensation is incapable of resolving important social challenges. Post-conflict countries tend to adopt constitutions that are expansive in terms of rights and guarantees, that guard the division of powers and, lately, that shift from inquisitorial to prosecutorial systems. Because the immediate post-conflict period may present difficulties for the adoption of an entirely new constitution, some countries have adopted transitional constitutions to facilitate more gradual and more inclusive changes.

43. None of the initiatives mentioned above are sufficient, on their own or collectively, to guarantee non-recurrence and in this sense they are not fail-safe prevention tools. It is relevant to keep in mind that the effectiveness of all legal and institutional reforms, including constitutional reforms, depends on their being taken seriously both by operators and by citizens. Arguably, poor implementation is as serious a problem as poor design.

2. The security sector

44. In the field of transitional justice, there are experiences regarding the reform of the security sector from which a comprehensive prevention framework can profit. Indeed, discussions of prevention in transitional justice circles were for a long time reduced to discussions about security sector reform, and in particular the vetting of the security forces.[21]

(a) Vetting of personnel

45. Vetting the personnel of the police, the armed forces and the intelligence services can, in fact, make an important contribution to prevention, provided that it is meaningfully differentiated from purges. Vetting, as the term has come to be used, far from meaning massive dismissals on the basis, for example, of mere membership in a party or organization or, even less frequently, on the basis of ascriptive factors, denotes a formal process to screen the behaviour of individuals and assess their integrity on the basis of objective criteria, so as to determine their suitability for continued or prospective public employment.[22]

46. Whereas in the transitional justice context a good part of the discussion about vetting has been spent (or misspent) on debates about its deterrent potential and on its potential contribution to closing the "impunity gap", for the purposes of a prevention framework the important point is that vetting arguably contributes to the dismantling of networks of criminality (see A/70/438).

47. It should be conceded that vetting has turned out to be very challenging in post-authoritarian processes, and even more so in post-conflict settings, given the

[21] Three out of the six principles for the protection and promotion of human rights through action to combat impunity, which address guarantees of non-recurrence, deal with vetting. See E/CN.4/Sub.2/1997/20/Rev.1, principles 40-42. See also S/2004/616, paras. 52-53, and A/62/659-S/2008/39.

[22] This understanding of vetting was taken up by the Secretary-General in his 2004 report on the rule of law and transitional justice in conflict and post-conflict societies. See S/2004/616, para. 52.

prominence that armed forces retain in such contexts. The difficulties can be mitigated by adopting "soft" forms of vetting,[23] including those which involve mild sanctions (e.g. offering individuals the opportunity to resign with little or no public disclosure or foregoing harsh limitations on prospective employment) or by adopting "indirect" forms of vetting (e.g. offering incentives for retirement or imposing a reduction in the mandatory retirement age, as in post-transition Spain) or by adopting a system like that in Argentina, which allows civil society organizations to make submissions to parliamentary debates concerning promotions (which gives those with shady pasts a great incentive not to submit their names for promotions, eventually leading to their resignation).[24]

(b) The definition of roles

48. Even where vetting is possible, however, it does not come close to exhausting the security sector reform measures that have significant preventive potential and that should therefore be considered for inclusion as elements of a comprehensive prevention framework.

49. For example, the role of the police, the military and the intelligence services should be defined precisely, ideally in the constitution. In many countries that have seen conflict or that are at risk of conflict, there is great ambiguity in the definition of the role of the different parts of the security services. Militaries have been pulled into policing functions that are not really theirs, such as participating in the "war on drugs", fighting organized crime within their own borders, undertaking counter-insurgency and counter-terrorism operations, and even taking part in riot control.

50. The price that is paid, more often than not, is that the armed forces and the intelligence services become politicized, are exposed to corruption and other forces that distort their own understanding of their social role, and are placed in situations for which they are not suitably trained or equipped. As if this were not serious enough, another frequent consequence is the corresponding weakening of police forces, whose training and equipment, and proximity to local populations, in theory make them better placed to play such a role. Police forces then risk becoming ensnared in corruption and other forms of criminality, deepening a spiral of dysfunction that in turn further fuels the attractiveness of using the military for such purposes.

51. A robust prevention agenda would therefore include a careful definition of the external role of the military and intelligence services, the internal role of the police with regard to public order and the very restricted circumstances in which these lines can be crossed. It would also include a clear definition of the role of the intelligence services in both the internal and the external domains.

(c) Rationalization of forces

52. Periods of conflict and of serious risk of conflict also tempt governments to create special security bodies, including intelligence services, with partially overlapping mandates and unclear lines of reporting and command. This includes

[23] It goes without saying that no form of vetting and, *a fortiori*, none of these soft forms satisfies independent legal obligations concerning the criminal investigation, prosecution and punishment of certain types of violations and abuses.

[24] One particular advantage of the Argentinean approach was that, strictly speaking, this was not designed as a vetting programme, but rather stemmed from parliamentary reforms allowing for public participation in debates. See Valeria Barbuto "Strengthening democracy: impugnación procedures in Argentina", in *Justice as Prevention: Vetting Public Employees in Transitional Societies*, Alexander Mayer-Rieckh and Pablo de Greiff, eds. (New York, Social Science Research Council, 2007), and A/70/438.

the frequent creation of non-State paramilitary groups. A serious prevention effort would also eventually include, as a consequence, an effort to rationalize and streamline forces, to clarify reporting and command lines and, in the case of non-State paramilitary groups, to disband such groups in ways that avoid the creation of spoiler groups, for example, through the effective use of disarmament, demobilization and reintegration programmes, which may include the integration of some of these forces (after vetting them for serious violations and abuse) into statutory security institutions.

53. The rationalization of the forces for preventive purposes should also include tying military expenditures to objective risk assessments. Military expenditures in countries that have experienced conflict or that are at risk of conflict frequently outstrip real needs, are more often than not shrouded in secrecy, almost invariably end up becoming sources of patronage (one of the many incentives for the militarization of politics so frequent in such contexts) and easily lend themselves to corruption and other forms of violations. Considering that this is a budgetary line that frequently exceeds investment in education, health and infrastructure combined, introducing transparency and more effective civilian oversight may present significant preventive pay-offs.

(d) Civilian oversight mechanisms

54. Strengthening mechanisms for civilian oversight over the security services, including intelligence services, deserves special attention from a preventive standpoint. Of course, this refers to civilian control and oversight under the law, in accordance with all constitutional provisions and in full compliance with all relevant international standards. The aim of such oversight is not always best captured in terms of reduction (e.g. of autonomy or size of forces) but rather in the professionalization of the services, including a sensible division of labour between different forces and branches, and the prevention of a spillover of power relations into domains that should be occupied by others, politics and the economy included.

(e) Defining the jurisdiction of military courts

55. One of the frequently observed spillover effects of military power is an encroachment on the sphere of justice. A comprehensive framework for prevention should also examine carefully the jurisdiction of military courts. While there are good reasons to have military courts, given that military personnel have to abide by rules that civilians are normally exempted from, the expansion of the jurisdiction of military courts to try civilians or to try members of the military for crimes other than military crimes contravenes international law, in and of itself constitutes a violation of rights and is one of the most prevalent means of shielding violations from view. From the standpoint of prevention, curtailing the jurisdiction of military courts is an important move which should not threaten the operation of truly professional security apparatuses.

(f) Eliminating military "prerogatives"

56. Another set of spillover effects of conflict and great risks of conflict is the creation of military "prerogatives", which often include control over various aspects of politics and the economy. These include "tutelary powers", such as the authority to appoint members of the legislature (25 per cent in Myanmar, for example), which, in conjunction with supermajority requirements, guarantees to the military veto power over law-making and constitutional reforms. Those powers may also include outsized participation in security councils, with more than advisory powers, giving the military effective control over crucial issues, sometimes including when to declare a state of emergency (with the corresponding suspension of, and threats

to, fundamental rights); guaranteed financial resources, with little oversight or transparency; and loosely regulated or unregulated opportunities for military industries and for members of the military to participate in businesses. Those prerogatives — "authoritarian enclaves" or areas of autonomy beyond control — should be eliminated as part of a preventive strategy. They weaken civilian oversight and control of the armed forces, are detrimental to economic development, subvert democracy and the rule of law, and undermine transparency in governance.

57. The tendency of militaries to carve out "reserve domains" in situations of conflict or grave risk of conflict is aided by the relative dearth of technical competence in civil society regarding defence policy issues. Meaningful civilian oversight over the military depends on decisively disputing its alleged monopoly of expertise in defence issues, including strategy, budgeting and acquisitions. A policy to prevent human rights violations would be significantly strengthened if it paid attention to the conditions under which effective civilian oversight of military forces could take place. The informed involvement of civil society actors in a security sector reform process significantly shapes its direction and scope. This is indeed a useful reminder of the important role civil society can play in prevention, a topic to which not enough attention has been paid.

B. The preventive role of civil society

58. While it is important to counter the tendency to reduce prevention discourse to the reform of security sector institutions — and the foregoing was an attempt to do this — there is in prevention discussions and practice a lingering type of reductionism that also needs to be opposed, one that concentrates exclusively on official State institutions. Most discussions about prevention and related programming leave out altogether the crucial preventive role of the institutions of civil society,[25] or assign to them narrow and predictable roles such as monitoring and reporting. As important as monitoring and reporting might be, they do not capture either the plethora of preventive roles that civil society can play, or the fundamental "social mechanism" through which a strong civil society serves a preventive function.

59. In the domain of rights, civil society organizations (not to be understood solely in terms of NGOs) can claim important victories, including the abolition of slavery; desegregation in many parts of the world, including the United States of America and South Africa; the expansion of voting rights in the nineteenth and early twentieth centuries and, especially, successful democratizing transitions in the latter part of the twentieth century; important successes in the fight against impunity, particularly in post-authoritarian transitions; and huge advances in lesbian, gay, bisexual, transgender and queer rights.

60. It should be remembered, however, that "civil society" is not necessarily synonymous with everything that is morally, legally and politically desirable. In each of the struggles just mentioned, there was a sector of civil society that stood in opposition. Thus, there were of course such things as a pro-slavery civil society, segregationist movements, settler civil society which mobilized against decolonization,

[25] Jürgen Habermas' definition of civil society is the one followed in the present report: "Civil society is composed of those more or less spontaneously emergent associations, organizations, and movements that, attuned to how societal problems resonate in the private life spheres, distil and transmit such reactions in amplified form to the public sphere. The core of civil society comprises a network of associations that institutionalizes problem-solving discourses on questions of general interest inside the framework of organized public spheres." See Jürgen Habermas, *Between Facts and Norms: Contributions to a Discourse Theory of Law and Democracy* (Cambridge, MA, Massachusetts Institute of Technology Press, 1996), especially chap. VIII.

majorities that sometimes supported authoritarian takeovers, and ample social sectors that continue to oppose lesbian, gay, bisexual, transgender and queer rights. Civil society organizations of different types have participated actively in the commission of violations and atrocities, not least in the lead-up to the Nazi victory in Germany and during the Rwandan genocide, events during which media instruments were widely used. Currently, we are witnessing a significant mobilization of civil society in favour of populist, xenophobic and even racist agendas that are far from rights-promoting or rights-enhancing.

61. Acknowledging that not all sectors of civil society are alike should not obscure the fact that civil society has generally been the engine of progress in the domain of human rights. Indeed, such acknowledgment provides even less reason for scepticism about civil society in general — which after all, by its very nature, is diverse and pluralistic — than the justification offered for scepticism about State institutions in general that such institutions can be put to abusive ends.

62. Empirical evidence suggests that there is a robust correlation between strong and autonomous civil society and positive human rights indicators. Part of this results from the fact that civil society aggregates and magnifies voices, in the process signalling both loudly and clearly to Governments where citizens' preferences lie, a signalling function that is not merely "informational" but that also has the implicit character of a claim. As the author of a study involving 60 countries summarizes his findings: "The strength of civil society prior to transition and its density post-transition not only play a significant role in the deepening of political freedoms and civil liberties among transitional citizens, but also lead to better institutional performance."[36]

63. Aggregation and magnification can thus be considered important social mechanisms through which civil society plays its role of contributing to steering the use of public power. This, in itself, may give effective civil societies a preventive edge, for civil societies capable of effective aggregation and magnification generally will not admit certain types of treatment. In other words, the relationship between civil society and authorities in a country with strong civil society organizations is not purely reactive but rather also anticipatory.

64. There is another mechanism, of a very general nature, by which civil society may exercise a preventive function. Perhaps this is best seen *a contrario*: it is well known that one of the (intentional) effects of the abusive exercise of State power is the breaking of social bonds, the isolation of people from one another. In a previous report, the Special Rapporteur illustrated this phenomenon by recalling a description of the "avoidance strategies" adopted by Argentineans during the dictatorship: "People abandoned, first, their political activities; second, they abandoned their political beliefs. They reduced associational activities and denied any evidence that inhumane practices were being carried out. Members of groups that were political targets of State terror cultivated deliberate ignorance about what was going on. People adopted selfish strategies of survival."[37] There is nothing peculiar about the Argentinean case in this respect. Such an effect is instrumental to the aim of preserving power through terror. The core effect of what has been called

[36] Rollin F. Tusalem, "A [illegible]: The role of civil society in third- and fourth-wave democracies", *International Political Science Review*, vol. 28, No. 3 (2007).

[37] See A/68/345, para. 19, citing Jaime Malamud-Goti, *Game Without End: State Terror and the Politics of Justice* (University of Oklahoma Press, 1996).

"disarticulating power" is to hamper social coordination, which is necessary for any sort of organized opposition.[28]

65. Thus, if the sustainability of terror depends upon the disarticulation of civil bonds, it is not far-fetched to think that the exercise of terror will be more difficult in the first place in contexts in which thick and diverse bonds already tie people to one another. Indeed, this is also an extension of the idea that the predictability of the signalling function of a strong civil society can also be thought to play a preventive role. The relevant social mechanism that can be thought to have a preventive effect, then, is a sort of aggregation, this time not of views, as in the argument above, but of people, or more precisely of bonds of concern. Those who know that people are not alone are more reluctant to abuse individual members of the group.

C. Strengthening civil society

66. Be this as it may, civil society, as mentioned above, has been acknowledged to contribute to prevention through very concrete means such as advocacy, monitoring, reporting and diverse reconciliation initiatives, among other things. For these various reasons, a framework approach to prevention should include measures to strengthen civil society and to increase its autonomy.

67. As in the case for institutional reform, it is the view of the Special Rapporteur that it is advantageous to present a range of options with different degrees of complexity, from the easily actionable to initiatives that are more resource intensive and require complex forms of coordination or a sophisticated institutional set-up. Because part of the nature and function of civil society is to be independent, even "uncontrollable," it is also important to acknowledge that civil society will not respond to policy initiatives as if it were part of the network of official institutions that are more or less dependent on hierarchical power for direction.

1. Repealing laws that limit civic space

68. Nevertheless, civil society is obviously responsive to policy initiatives, as is clearly presupposed by the recent spate of laws adopted by countries around the globe to limit in various ways the operation of civil society organizations.[29] These laws impose onerous registration and reporting requirements and introduce barriers to operational activity, giving authorities not only virtually unlimited oversight powers, but also the power to veto individual elements of work plans and, generally, to restrict access to funding and impose limits on the rights to free speech, expression and peaceful assembly. An easily actionable contribution to strengthening civil society organizations could involve the repeal of such legislation.

2. Establishing platforms, coalitions or networks

69. In many countries, there are individual civil society organizations, especially NGOs with a very high degree of technical competence. Nevertheless, for various reasons, including deep social cleavages, which may involve class, ethnicity,

[28] As Hannah Arendt put it: "Totalitarian government, like all tyrannies, certainly could not exist without destroying the public realm of life, that is, without destroying, by isolating men, their political capacities". See Hannah Arendt, *The Origins of Totalitarianism*, 2nd ed. (New York, Meridian Books, 1958).

[29] According to one report, "between 2004 and 2010, more than 50 countries considered or enacted measures restricting civil society. Since 2012, more than 90 laws constraining the freedoms of association or assembly have been proposed or enacted." See Douglas Rutzen, "Aid barriers and the rise of philanthropic protectionism", *International Journal of Not-for-Profit Law*, vol. 17, No. 1 (2015).

religion or a history of conflict and the attendant low levels of trust left in its wake, civil society organizations, even those on the same side of an issue, have a hard time working together. In such contexts, it is difficult for civil society to achieve its typical aggregating effect and, therefore, it ends up dissipating its potential impact.

70. Networks, platforms, coalitions and alliances of independent civil society organizations have been formed in many countries to address this problem. There is no blueprint for such organizations, which indeed can have different degrees of formality. Structures that allow for information-sharing and exchanges that may facilitate the formation of consensus positions, that increase the participation of those who may be farther afield (e.g. grass-roots organizations outside the capital or other urban areas) and that permit some level of coordination of action have been found in many countries to realize the potential of collective action, which is by its nature more powerful than the isolated action of the constitutive parts of civil society.

71. Governments have sometimes tried to establish similar structures in order to manipulate civil society organizations. In assessing the potential contributions of civil society to issues such prevention, not only the strength but also the autonomy of civil society are crucial. The networks at issue here must be totally independent from Governments, created and run entirely on the initiative of civil society.

3. Creating forums

72. A powerful incentive for the development of civil society is to demonstrate that there is a point to the efforts it always takes. Official forums of consultation, especially when they are not mere "talk shops", can provide a powerful incentive for the strengthening of civil society, and not just in a general sense, but also with specialized expertise. For example, rules that allow civil society to make submissions and participate in legislative discussions not only manifest and foster the virtues of inclusiveness and transparency but also provide a powerful reason for civil society to strengthen its capacities.[70]

4. Fostering an enabling environment

73. Reiterating that civil society by its very nature is not part of the State and that therefore it cannot be expected to respond to State initiatives as though it were, ultimately the best way for the State to strengthen civil society is to foster an enabling environment. In past reports, the Special Rapporteur has made reference to: (a) the active promotion of the fundamental freedoms of expression and opinion, peaceful assembly and association, and religion; (b) the establishment of an educational system that provides opportunities to develop not just marketable skills but also critical thinking; and (c) the preservation of traditions of openness, transparency and consultation, as some of the elements of such an environment.[71]

[70] See the Special Rapporteur's reports on victim participation and on national consultation processes (A/HRC/34/62 and A/71/567).

[71] See A/HRC/30/42. The Global Capability Index to measure the enabling environment of civil society, developed for the World Alliance for Citizen Participation (CIVICUS), perhaps the most comprehensive effort, provides elements that could be integrated into a comprehensive prevention framework. The Index takes an enabling environment for civil society as a composite of three different sub-environments: socioeconomic, sociocultural and governance. A governance environment that enables civil society would, for example, be one which would fare well in terms of (a) civil society infrastructure (measured in terms of the organizational capacity, effectiveness and financial viability of civil society organizations), (b) policy dialogue between civil society and State organs, (c) corruption, (d) political rights and freedoms, (e) associational rights, (f) rule of law, (g) personal rights, (h) the legal framework for NGOs and (i) media freedoms. There is significant overlap between these factors and the contents of a possible prevention framework as presented in the present report and in earlier ones on non-recurrence by the Special Rapporteur.

74. Taking seriously the idea that a strong and autonomous civil society has an important role to play in prevention, and that the strength of civil society can be fostered but not produced through official initiatives, will have wide-ranging repercussions, for example, in budgeting, planning and in the way that international cooperation supports prevention initiatives. For instance, taking this idea seriously would have to be reflected in increasing the diversity of cooperation partners and making assistance less State-centric, as well as in the time horizons of cooperation and the indicators selected to assess impact, some of which would have to be "indirect", measuring not mere outcomes but also changes in the environment in which civil society operates.

D. Interventions in the cultural and the individual spheres

75. A truly effective prevention policy will not only concentrate on institutions — even if the focus is widened to include the non-official, civil society sector — but also include interventions aimed at making changes in the domains of culture and personal dispositions. Prevention, after all, cannot be reduced to a technocratic exercise of clever institutional engineering. There are cultural dimensions to violence and conflict, just as there are individual dispositions that incline people towards or away from violence.

76. Both culture and individual dispositions are functionally designed to provide stability and continuity, and therefore they are not open to immediate change. That does not mean, however, that they are immutable. Like changes in civil society, cultural and personal transformations are best achieved indirectly, by way of sustained support over the long run, rather than through narrowly focused, short-term interventions.

77. The present report is not the place to exhaustively list the sort of interventions in the cultural and personal spheres that should be part of a broad prevention platform. Its main interest is in insisting upon the importance of combating one last form of reductionism: the one that presumes a prevention agenda to be exhausted by interventions in the domain of institutions.

1. Education

78. Three obvious elements of a comprehensive prevention framework should be education, arts and culture, and archives and documentation. Education, both formal and informal, because of its formative potential, can be used both to assuage and to fuel resentments. Access to educational opportunities can deepen or help resolve horizontal inequalities. The specific content of educational experiences can fan grievances or foster attitudes and ways of resolving them. Pedagogical methods can produce tolerant or intolerant dispositions. Additionally, education is a bridge between the institutional, the cultural and the personal spheres. It is unlikely that any prevention strategy will take root without long-term supportive changes in education.

The index formulates in greater detail what it calls the factors that make up an enabling sociocultural environment for civil society (albeit not in ways that obviously lend themselves to policy interventions). These include: (a) the propensity of individuals to participate in different modes of collective action, from petitions to peaceful demonstrations, (b) tolerance of different ethnic and religious groups, (c) trust in civil society organizations and (d) solidarity, as expressed by giving and volunteering. The index also formulates what it calls the socioeconomic environment enabling civil society. The relevant indicators it picks are: (a) educational achievements, (b) communications (with a special focus on access to the Internet), (c) levels of economic equality and (d) gender equality. The materials that accompany the index clarify the indicators and sources of data. The present report is interested in fostering policies and the integration of policies that may lead to positive changes in the index.

2. Arts and other cultural interventions

79. Arts and other cultural interventions, including museums, exhibitions, monuments, and theatre performances, are important means of generating empathy and solidarity, which among other things can foster a demand for justice and ultimately strengthen sustainable processes of social integration. Artistic and cultural interventions are ideally suited to making visible not only victims but also the layered, complex and long-term consequences of victimization, which often ripple out across generations and communities.

3. Archives and documentation

80. Finally, the way countries archive documents and ensure access to their archives says a lot about their attitudes toward inclusion, transparency and even due process. Access to well-preserved and protected archives is an educational tool to combat denial and revisionism, as important for history education as for dimensions of institutional reform. Particularly in periods in which opinions in the media, including social media, are increasingly seen to be untethered from any factual basis, the effective use of archival documentation can prevent the manipulation of "memory" to instigate conflict.

V. Conclusions and recommendations

Conclusions

81. There are reasons to celebrate the increased interest in prevention both within the United Nations system and outside it. Not the least because there are harms that cannot be undone, and others that can be undone only at a huge cost, it would be better if we could prevent some of the violations from happening in the first place. Redress is crucial, but obviously redress alone is not the ideal outcome.

82. The interest in prevention within the United Nations system is not new. Both conceptual and operational work has been attempted in the past with different degrees of success. A review of such work provides grounds for the following conclusions: first, much more work needs to be done; second, a consensus is emerging about broadening the scope and upstreaming prevention work; third, operationally neither the United Nations system nor anyone else has the required degree of coordination. Both the United Nations system and others continue to operate on the basis of assertions of general links between topics deemed relevant for prevention (e.g. human rights and development) without any detail about the nature of those links or of what they imply programmatically.

83. In addition to relatively low investments in prevention, the greatest obstacle to the design of effective prevention programmes is the "siloization" of knowledge and expertise. The problem is not so much a lack of knowledge about how to achieve preventive aims, but rather that this knowledge and expertise are too disaggregated, and efforts either too dispersed or, as happens all too frequently, concentrated on crisis prevention, at which point they are arguably too late.

84. The present report advocates for the adoption of a "framework approach" to prevention. A broad framework on its own may not be sufficient to break all silos open, but it provides both an overview of the breadth of initiatives that need to be a part of effective prevention and an occasion to clarify the relationship between the elements of a comprehensive prevention policy. A framework, while not a formula or a blueprint, nonetheless facilitates planning and coordination, and this alone makes the adoption of one worth considering.

85. Additionally, the report contains proposals regarding some content for a broad prevention framework, based on experiences learned in the field of transitional justice, particularly its efforts to guarantee non-recurrence. While some of the measures are familiar, their placement in a more comprehensive framework is novel. Moreover, because the Special Rapporteur is convinced that significant and sustainable social transformation is not simply a matter of institutional design, as important as that might be, but also of transformation in culture and in personal dispositions, the report contains a proposal to include in a prevention framework elements that are usually left out, including measures to strengthen civil society, as well as some elements in the sphere of culture and personal dispositions.

Recommendations

86. **The Special Rapporteur supports the call for greater work in the domain of prevention. In order to increase the effectiveness of preventive efforts, he also supports the idea that the scope of prevention work should encompass more than crisis prevention, and that preventive efforts need to be upstreamed.**

87. **Nevertheless, neither expansion nor upstreaming should be done haphazardly. The Special Rapporteur urges those involved in prevention work to think about the relationship between the discrete parts of a broad preventive agenda.**

88. **In order to facilitate the opening of silos of knowledge and expertise which have characterized work in this area, the Special Rapporteur urges the adoption of a "framework approach" that would allow for the systematic and ordered planning of a broad prevention policy.**

89. **The Special Rapporteur encourages those responsible for the design of prevention policies to consider as elements of such policies a range of initiatives which, in the sphere of official State institutions, include promoting legal identity; ratifying and incorporating human rights treaties; carrying out legal reforms to ensure that counter-terrorism and emergency laws are fully compliant with human rights standards; implementing judicial reforms to strengthen the independence of the judiciary and to increase its competencies in topics relevant to prevention, including international human rights law; and considering constitutional reforms, including the adoption of a bill of rights and the establishment of a constitutional court.**

90. **Regarding the security forces, the Special Rapporteur encourages those involved in the design of prevention policies to include as elements of such policies personnel vetting, a constitutional definition of the role of each force (including the intelligence services), the rationalization of forces, the strengthening of mechanisms of civilian oversight and the elimination of military prerogatives, among other things.**

91. **The Special Rapporteur urges those designing prevention policies to recall the crucial contribution that civil society can make to that end, by means that go beyond familiar (and important) functions such as advocacy, monitoring and reporting. A prevention policy would therefore profit from measures to strengthen civil society, including the repeal of legislation that hampers the operation of civil society organizations; the implementation of legal empowerment programmes; the establishment (by civil society actors) of platforms, coalitions, alliances and networks; the adoption of laws that enable meaningful participation by civil society in different forums, including legislative ones; and the cultivation of an environment conducive to civil**

participation, with adequate protection of the rights to association and expression, among others.

92. **Finally, because prevention is not simply a matter of institutional engineering, the Special Rapporteur urges those in charge of designing prevention strategies to also include interventions in the cultural sphere and in the domain of personal dispositions that are supportive of the full realization of human rights. Education, arts and other cultural interventions, including memorialization and museums, and investments in archives and documentation will all contribute to nourishing cultures and individuals that can sustain prevention aims over time, including those periods during which institutions cannot be solely expected to guarantee the full realization of rights.**

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Programme planning

Report of the Fifth Committee

Rapporteur: Mr. Felipe **García Landa** (Mexico)

I. Introduction

1. At its 2nd plenary meeting, on 15 September 2017, the General Assembly, on the recommendation of the General Committee, decided to include in the agenda of its seventy-second session the item entitled "Programme planning" and to allocate it to the Fifth Committee, as well as to all the other Main Committees and the plenary of the Assembly to enhance discussion of evaluation, planning, budgeting and monitoring reports.

2. The Fifth Committee considered the item at its 2nd and 5th meetings, on 5 and 13 October 2017. Statements and observations made in the course of the Committee's consideration of the item are reflected in the relevant summary records.[1]

3. For its consideration of the item, the Committee had before it the following documents:

(a) Report of the Committee for Programme and Coordination on its fifty-seventh session (A/72/16);

(b) Report of the Office of Internal Oversight Services on strengthening the role of evaluation and the application of evaluation findings on programme design, delivery and policy directives (A/72/72);

(c) Report of the Secretary-General on the proposed revisions to the Regulations and Rules Governing Programme Planning, the Programme Aspects of the Budget, the Monitoring of Implementation and the Methods of Evaluation (article VII and annex) (A/72/73/Rev.1).

[1] A/C.5/72/SR.2 and A/C.5/72/SR.5.

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II. Consideration of draft resolution A/C.5/72/L.3

4. At its 5th meeting, on 13 October, the Committee had before it a draft resolution entitled "Programme planning" (A/C.5/72/L.3), submitted by the Chair on the basis of informal consultations coordinated by the representative of Saudi Arabia.

5. At the same meeting, the Committee adopted draft resolution A/C.5/72/L.3 without a vote (see para. 6).

III. Recommendation of the Fifth Committee

6. The Fifth Committee recommends to the General Assembly the adoption of the following draft resolution:

Programme planning

The General Assembly,

Recalling its resolutions 37/234 of 21 December 1982, 38/227 A of 20 December 1983, 41/213 of 19 December 1986, 55/234 of 23 December 2000, 56/253 of 24 December 2001, 57/282 of 20 December 2002, 58/268 and 58/269 of 23 December 2003, 59/275 of 23 December 2004, 60/257 of 8 May 2006, 61/235 of 22 December 2006, 62/224 of 22 December 2007, 63/247 of 24 December 2008, 64/229 of 22 December 2009, 65/244 of 24 December 2010, 66/8 of 11 November 2011, 67/236 of 24 December 2012, 68/20 of 4 December 2013, 69/17 of 18 November 2014, 70/8 of 13 November 2015 and 71/6 of 27 October 2016,

Recalling also the terms of reference of the Committee for Programme and Coordination, as outlined in the annex to Economic and Social Council resolution 2008 (LX) of 14 May 1976,

Having considered the report of the Committee for Programme and Coordination on the work of its fifty-seventh session,[1]

Having also considered the report of the Office of Internal Oversight Services on strengthening the role of evaluation and the application of evaluation findings on programme design, delivery and policy directives[2] and the report of the Secretary-General on the proposed revisions to the Regulations and Rules Governing Programme Planning, the Programme Aspects of the Budget, the Monitoring of Implementation and the Methods of Evaluation (article VII and annex),[3]

1. *Reaffirms* the role of the Committee for Programme and Coordination as the main subsidiary organ of the General Assembly and the Economic and Social Council for planning, programming and coordination;

2. *Re-emphasizes* the role of the plenary and the Main Committees of the General Assembly in reviewing and taking action on the appropriate recommendations of the Committee for Programme and Coordination relevant to their work, in accordance with regulation 4.10 of the Regulations and Rules Governing Programme Planning, the Programme Aspects of the Budget, the Monitoring of Implementation and the Methods of Evaluation;[4]

3. *Stresses* that setting the priorities of the United Nations is the prerogative of the Member States, as reflected in legislative mandates;

4. *Also stresses* the need for Member States to participate fully in the budget preparation process, from its early stages and throughout the process;

5. *Endorses* the conclusions and recommendations of the Committee for Programme and Coordination on proposed revisions to the Regulations and Rules Governing Programme Planning, the Programme Aspects of the Budget, the

[1] *Official Records of the General Assembly, Seventy-second Session, Supplement No. 16* (A/72/16).
[2] A/72/72.
[3] A/72/73/Rev.1.
[4] ST/SGB/2016/6.

Monitoring of Implementation and the Methods of Evaluation (article VII and annex),[5] on evaluation,[6] on the annual overview report of the United Nations System Chief Executives Board for Coordination for 2016[7] and on the United Nations system support for the New Partnership for Africa's Development.[8]

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[5] *Official Records of the General Assembly, Seventy-second Session, Supplement No. 16* (A/72/16), relevant part of chap. II.A.
[6] Ibid., chap. II.B.
[7] Ibid., chap. III.A.
[8] Ibid., chap. III.B.